

To: Purchasing Agent Division of Reclamation, Mining and Safety 1313 Sherman St., Rm. 215 Denver, Colorado 80203

Project Name: Carbonero Mine Rehab	<u>illitation</u>	Project	
Bid Number: PKA-14-737			
Fund: CDPHE: PASE			
Pre-Bid Meeting Date: June 11, 2014	Time:	10:30 A.M.	
Bid Opening Date: June 24, 2014	 Time:	2:30 P.M.	
Total Bid \$			
Receipt of Addenda Nos.			-
Receipt of Addenda Nos. is Hereby Acknowledged			

- 1. BID: Pursuant to the advertisement by the State of Colorado dated 4/30/2014 and 5/7/2014 the undersigned bidder proposes to furnish all the labor and materials and to perform all the work required for the complete and prompt execution of everything described or shown in or reasonably implied from the Bidding Documents, including the Drawings and Specifications, for the base bid above indicated, and according to the attached Bid Schedule.
- 2. EXAMINATION OF DOCUMENTS AND SITE: The bidder has carefully examined the Bidding Documents, including the Drawings and Specifications, and has examined the site of the work, so as to make certain of the conditions at the site and to gain a clear understanding of the work to be done.
- PARTIES INTERESTED IN BID: The bidder hereby certifies that the only persons or parties interested in this Bid are those named herein, and that no other bidder or prospective bidder has given any information concerning this Bid.
- 4. BID GUARANTY: This Bid is accompanied by the required Bid Guaranty. You are authorized to hold said Bid Guaranty for a period of not more than thirty (30) days after the opening of the Bids for the work above indicated, unless the undersigned bidder is awarded the Contract, within said period, in which event the Director, Division of Reclamation, Mining and Safety may retain said Bid Guaranty, until the undersigned bidder has executed the required Agreement and furnished the required Performance Bond, Labor and Material Payment Bond, Insurance Policy, Certificates of Insurance and any other documents required by the Special Conditions.
- 5. TIME OF COMPLETION: The bidder agrees to complete the entire project within 61 calendar days from the Notice to Proceed, subject to Article 33 TIME OF COMPLETION and Article 39 LIQUIDATED DAMAGES, of The General Conditions of the Contract. If awarded this work, the bidder agrees to begin work within ten (10) days from the date of the Notice to proceed and agrees to prosecute the work with due diligence to completion.
- 6. **EXECUTION OF DOCUMENTS:** The bidder understands that if this Bid is accepted, he must execute the required Agreement and furnish the required Performance Bond, Labor and Material Payment Bond, Insurance Policy and Certificates of Insurance and any other documents required by the Special Conditions within ten (10) days from the date of the Notice of Award.
- 7. LATE BIDS: Unless there are extraordinary circumstances for which the Purchasing Director may approve a bid received after the time and date due it will be rejected per R-24-103-202a-07(a), Colorado Procurement Code and Rules.
- 8. The right is reserved to waive informalities and to reject any Bid.

(TYPE/PRINT NAME UNDER ALL SIGNAT	TURES)	Dated this	_ day of	_, 20
THE	BIDDER			
Sign	nature			
Nan	ne and Title (Typed or Printed)		
Con	npany Name			
Add	ress			
_				
Pho	ne#			

Signatures: If the Bid is being submitted by a Corporation, the Bid should be signed by an officer, i.e., President or Vice President.

If the Bid is being submitted by an individual or a partnership, the Bid shall so indicate and be properly signed.

Carbonero Mine Rehabilitation Project Bid Schedule PKA-14-737

ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	AMOUNT
	Safety Health and				
	Environmental Action				
1.	Plan	1	Job	N/A	\$
2.	Mobilize/Demobilize	1	Job	N/A	\$
2.	Wiodinze/Derriodinze		300	18/7	Ψ
	Construct Sediment				
3.	Pond	1	Job	N/A	\$
	Carbonero Mine				
	Discharge Treatment		l		
4.	with Flocculent	125	lbs.	\$/lbs.	\$
	Remove Portal Structures and Construct				
5.	Working Platform	1	Job	N/A	\$
0.	vvolking i latioiiii	,	000	14// (Ψ
	Provide and Install Steel				
6.	Sets	25	Set	\$/set	\$
_	Excavate Disposal Area	,	l		
7.	in Mine Dump	1	Job	N/A	\$
	Bar Down and Muck the				
8.	Carbonero Adit	3200	Feet	\$ /ft.	\$
<u> </u>	Carbonoro / tait	0200	1 301	, Tue	
	Provide and Install				
9.	Double Adit Door Closure	1	Job	N/A	\$
ITEMS	10 THROUGH 22 ARE NOT	GUARA	NTEED		
			Cubic		
10.	Muck Cayod Areas	100	Cubic Yards	\$ /cy	\$
10.	Muck Caved Areas	100	i aius	\$/cy	Ψ
	Provide and Install				
11.	Timber Sets	25	Set	\$/set	\$
	Provide and Install Split				
12.	Set Rock Bolts	100	Each	\$	\$
	Provide and Install Cavity				
4.0	Filling Foam over Timber	400	Cubic	,	
13.	and Steel Sets	100	Yards	\$/cy	\$

As of 5/2012

DO NOT AMEND ANY PART OF THIS BID SCHEDULE THIS BID SCHEDULE MUST BE RETURNED WITH YOUR BID Page 1 of 2 pages

Carbonero Mine Rehabilitation Project Bid Schedule PKA-14-737

14.	Drilling and Blasting	10	Each	\$		\$_		
15.	Provide and Install Galvani	zed Wire	Mesh, Cha	in Link F	ence, and M	ine S	Straps	
15.1	Fence or Mesh	300	Sq. Ft.	\$	/sf	\$_		
15.2	Mine Straps	200	Ln. Ft.	\$	/If	\$_		
	Dravide and Install IDO							
16.	Provide and Install IBO Rods	30	Each	\$		\$		
17.	Install sets by forepoling	10	Set	\$	/set	\$		
	Underground Mine Crew,	10	Crew-	" 				
18.	if Required	30	Hour	\$	/hr	\$_		
	Additional Underground Rehab Materials, if							
19.	required	N/A	N/A		N/A	\$	30,000	
	Additional Equipment					_		
20.	Time, Excavator w/ Operator, if Required	30	Hour	\$	/hr	\$_		
20.	Operator, il Nequilleu	30	Houl	Ψ	/!!!	 Φ _		
	Crew Standby,		Crew-					
21.	if Required	20	Hour	\$	/hr	\$_		
	Additional Beams, if							
22.	Required	5	Each	\$		\$_		
00	Previous Job Experience	N1/A	21/4	A 1 / A				
23	- Submit With Bid	N/A	N/A	N/A		\$_	N/A	-

As of 5/2012

DO NOT AMEND ANY PART OF THIS BID SCHEDULE THIS BID SCHEDULE MUST BE RETURNED WITH YOUR BID Page 2 of 2 pages



STATE OF COLORADO OFFICE OF THE STATE ARCHITECT STATE BUILDINGS PROGRAMS

BID BOND

Institution/Ager	ncy:	
Project No./Na	me:	
	-	
KNOW ALL MEN	BY THESE PRESENTS:	
WHEREAS, PROPOSAL for the	e above described project, t	hereinafter called the "PRINCIPAL", is submitting a the STATE OF COLORADO, hereinafter called the "OBLIGEE".
PROPOSAL GUAF forfeited as Liquida	RANTY in an amount not les	quired as a condition of receiving the Proposals that the Principal submit with the is than five per cent (5%) of the Proposal, which sum it is specifically agreed is to be not the Principal defaults in his obligation as hereinafter specified, and, in pursuance ted and delivered.
NOW THEREFOR	E, the Principal and	a corporation of the State of
sum of five per cer	_, duly authorized to transa nt (5%) of the Principal's tota the Obligee, we bind ourse	ct business in Colorado, as Surety, are held and firmly bound unto the Obligee, in the il bid price, lawful money of the United States for the payment of which sum, well and lives, our heirs, executors, administrators, successors and assigns, jointly and
days after the oper prescribed time, ex Insurance Policy, a	ning of the proposals for the recute the required Agreema	that the Principal shall maintain his Proposal in full force and effect for thirty (30) project, or, if the Principal's Proposal is accepted, the Principal shall, within the ent, furnish the required Performance Bond, Labor and Material Payment Bond, then this obligation shall be null and void, otherwise it shall remain in full force and is Liquidated Damages.
IN WITNESS WHE	EREOF said Principal and S	urety have executed this Bond, this day of, A.D., 20
(Corporate Sea	al)	THE PRINCIPAL
		Company Name
ATTEST		Address (including city, state and zip)
Secretary		Phone number:
Name (Print)		 Signature
		Name (Print) and Title
		Name (1 mit) and the
SIGNATURES	If the "Principal" is doing b	usiness as a Corporation, the Bid Bond shall be signed by an officer, i.e., President
SIGNATURES		inature of the officer shall be attested to by the Secretary and properly sealed.
	If the "Principal" is an indiv	ridual or a partnership, the Bid Bond shall so indicate and be properly signed.
	•	
	(Corporate Seal)	THE SURETY
		By
	Secretary	By Attorney-in-Fact

THIS BOND MUST BE ACCOMPANIED BY POWER OF ATTORNEY, EFFECTIVELY DATED.
FAILURE TO PROVIDE A PROPERLY EXECUTED BID BOND WITH A PROPERLY EXECUTED POWER OF ATTORNEY WILL RESULT IN THE BIDDER'S PROPOSAL BEING DEEMED NON-RESPONSIVE.

State Form SBP-6.14 Rev. 9/2006

LIST OF EQUIPMENT OFFERED

Under the headings below, list all equipment which you offer to perform the work described in the Bid. Please see "List of Equipment Offered" in the Special Conditions.

ITEM	MAKE	MODEL NUMBER	SERIAL NUMBER	YEAR MANUFACTURED

THIS PAGE MUST BE RETURNED WITH YOUR BID OR THE BID MAY BE CONSIDERED NON-RESPONSIVE

PAGE 1 OF 1 PAGE

As of 8/16/2012

SPECIAL CONDITIONS

Carbonero Mine Rehabilitation Project

PKA-14-737

PROJECT LOCATION

The project is located approximately one and one-third miles northwest of the Town of Ophir, in San Miguel County, Colorado. The project location is accessed by a steep, narrow mine road off of 630 Road (Ophir Pass Road). See attached aerial photo. The mine road has a locked gate. The Contractor selected for the Project will be provided a combination for one of the locks and will be required to secure the gate at all times.

WORK SUMMARY

The project work will include reopening the portal and stabilizing and rehabilitating portions of the underground workings of the Carbonero Mine. The project will also include construction of a working platform at the portal, construction of water management structures near Ophir Pass Road below the project site, and re-grading and reclamation of certain surface work areas.

The successful bidder must prepare a Safety, Health, and Environmental Action Plan to be reviewed and accepted by the Project Manager. Prior to beginning work, all employees or subcontracted individuals who will actually be performing work tasks or entering underground must possess 40 hour MSHA form 5000-23 underground miner certification.

PRE-BID MEETING AND SITE SHOWING

A <u>mandatory</u> pre-bid meeting and site showing will be held at the site on Ophir Pass Road (630 Road) approximately one-half mile east of Ophir, Colorado on Wednesday, June 11, 2014 at 10:30 a.m. The meeting location is where the Carbonero Mine discharge flows across Ophir Pass Road. This meeting location is easily found; a prominent gully with a large flow of water crosses the road. Please see attached map. Also note that the location on the attached aerial photo labeled "Pond Location" is where the pre-bid meeting will assemble.

The purpose of the Pre-Bid meeting is to afford potential bidders the opportunity to inspect the proposed work and access conditions. Attending the entire Pre-Bid meeting is mandatory. Bidders are advised to be prompt. A sign-in sheet will be available at the Pre-Bid meeting for firms to register their attendance. It is the bidder's responsibility to make certain their attendance is recorded on the sign-in sheet. Each individual may represent him/herself or a single company for the purpose of bidding. Signing the Pre-Bid Meeting attendance list to represent more than one person or company is not permitted. Failure to sign-in and sign out, as directed by the Project Manager, will be cause for rejection of a bid.

THIS PRE-BID MEETING INVOLVES INSPECTION OF HAZARDOUS AND UNSTABLE MINE OPENINGS. THE SAFETY OF PROSPECTIVE BIDDERS IS OF UTMOST IMPORTANCE TO THE DIVISION OF RECLAMATION, MINING AND SAFETY. NO ONE WILL BE ALLOWED WITHIN 15 FEET OF ANY VERTICAL MINE OPENING WITHOUT PROPER SAFETY EQUIPMENT INCLUDING: SAFETY BELT OR HARNESS PROPERLY SECURED TO A SAFETY LANYARD AND ANCHOR. NO ONE WILL BE ALLOWED TO EXAMINE ANY HORIZONTAL MINE OPENING WITHOUT WEARING A HARD HAT.

Bidders are cautioned that, notwithstanding any remarks or clarifications given at this meeting and site showing, all terms and conditions of the contract documents remain unchanged unless they are changed by written amendment issued by the OWNER. If the answers to questions, or any amendment to the contract documents create ambiguities, it is the responsibility of the bidder to seek clarification prior to submitting a bid.

BID OPENING DATE

The bid opening date for this project is June 24, 2014 at 2:30 p.m.

All bid openings are open to the public and bidders are welcome to attend and record the bid results. A written tabulation of the Bid results will be available to those bidders who submit a clearly-visible, self-addressed, stamped envelope with their bid. Please allow two weeks for receipt of Bid results. Telephone requests cannot be honored because of time constraints.

BID SUBMITTAL

Sealed bids in single copy for the work described herein will be received until the date and time specified above at the Colorado Division of Reclamation, Mining and Safety, 1313 Sherman Street, Suite 215, Denver, Colorado 80203, and at that time publicly opened. All bids must be time-stamped and placed in the bid box at the Division office, before the date and time specified above.

A responsive bid must include the following, properly completed:

- Bid Form
- · Bid Schedule
- Bid Bond
- List of Equipment Offered
- Pre-qualification Package

This is a sealed bid. Telegraphic or electronic (FAX, Western Union, Telex, etc.) bids will NOT be accepted directly by the Division of Reclamation, Mining and Safety in response to this bid.

Bid Form. Bids shall be submitted on the bid form furnished. Bids must be manually signed in ink. All bid items must be priced or the bid will be disqualified. In case of error in the extension of price, the unit price shall govern. If a Bid Schedule is included it must also be returned with the bid. The quantities listed on which unit prices are requested are estimates only. The prices indicated on the Bid Schedule and included in the Contract Documents shall include the cost of all labor and materials, equipment and services, and all other expenses necessary for the completion of the work. Alternate bids will not be accepted. Bids must be signed as follows:

If the Bidder is a corporation: The bid must be signed by an officer (President or Vice President), and the title indicated.

If the Bidder is a proprietorship: The Owner must sign the bid and print or type his name, the business name.

If the Bidder is a partnership: The majority or general partner must sign the bid. The same person must sign the contract, if awarded. Also include the company name.

Bid Bond. A bid bond is required for all jobs over \$50,000.00. A bid guarantee in an amount not less than five percent (5%) of the total bid price must be submitted in the form of a firm commitment, such as a bid bond, bank money order, certified check or cashier's check. Checks or money orders should be made payable to the Treasurer, State of Colorado. If a bid bond is submitted, the State form shall be used. An irrevocable letter of credit is not acceptable as a bid guarantee. Bid guarantees, other than bid bonds, will be returned (a) to unsuccessful bidders as soon as practicable after the opening of bids, and (b) to the successful bidder upon execution of such further contractual documents and bonds (including any necessary coinsurance or reinsurance agreements) as may be required by the bid as accepted.

Failure to furnish a bid guarantee in the proper form and amount by the time set for opening of bids may be cause for rejection of the bid.

If the successful bidder, upon acceptance of his bid by the OWNER, fails to execute such further contractual documents, and give such bond(s) (including any necessary coinsurance or reinsurance agreements) as may be required within ten (10) days after receipt of the Notice of Award, the contract may be terminated for default. In such event the CONTRACTOR shall be liable for any cost of procuring the work which exceeds the amount of his bid, and the bid guarantee shall be available toward offsetting such difference.

SPECIAL REQUIREMENTS - YES

Bidders are required to provide Owner with documentation which demonstrates that they have successfully completed two similar underground mine rehabilitation projects. The submittal MUST be included with the Bid Schedule during bidding. The documentation must include previous client contact information, dates of performance, safety record and a brief job description. Please see Bid Item No. 23 on the Bid Schedule. There will not be any payment for submittal of this information. Bids received from Contractors who fail to provide verifiable prequalification project experience will be considered unresponsive, and therefore the bid will be rejected.

Performance and Payment Bonds – ARE REQUIRED for bids over \$50,000.00.

The contractor shall furnish a labor and material payment bond for 100 percent of the original contract price and a performance bond for 100 percent of the original amount of the contract. The bonds are required by State Law, Title 24-105,202,203, C.R.S., as amended. The bonds shall be submitted using the State forms. A certified or cashier's check or bank money order may be accepted in lieu of the bonds. If a surety other than a bond is used, the State will hold fifty percent (50%) of the surety until the final settlement date and fifty percent (50%) for six (6) months after the final settlement date.

RETAINAGE

If the bid amount is between \$50,000.00 and \$149,999.00, 10 percent retainage will be withheld until the project has been satisfactorily completed and advertised. If the bid amount is \$150,000.00 or over, 5% retainage will be withheld until the project has been satisfactorily completed and advertised.

List of Equipment Offered. The List of Equipment Offered form must be returned with each bid. All equipment to be used on the project must be listed. The CONTRACTOR must own, have a current lease for the equipment intended to be used to perform the work, or must furnish a statement of arrangements to rent, or otherwise procure, adequate equipment to perform the work. Inclusion of a piece of equipment on the List of Equipment Offered represents a commitment to devote that piece of equipment to the project work for the entire duration of the project. If several contractors propose to join together to perform the work under this contract, equipment owned or controlled by each should be listed and the owner identified. A contract will not be awarded to a bidder who in the opinion of the OWNER (a) does not have adequate equipment, or (b) does not have firm and satisfactory arrangements to obtain adequate equipment to perform the work described in the Invitation and Bid.

If the List of Equipment Offered is not submitted with the bid, the bid may be considered non-responsive.

BID AWARD

Award will be made with reasonable promptness, by written notice to the low responsive and responsible bidder whose bid meets the requirements and criteria set forth in the Invitation for bid. These criteria will include, but not be limited to the lowest GRAND TOTAL PRICE, corrected if necessary for errors in price extension and/or addition, on the Bidder's equipment if a List of Equipment Offered is required with the bid, and capability to meet the performance time requirements. The GRAND TOTAL PRICE will be used for comparing bids only.

Additive Alternates. The lowest responsible bid, taking into account the Colorado resident bidder preference, Article 14 of the General Conditions, will be determined by and the contract will be awarded on the base bid plus all additive alternates, to the extent that the addition of alternates results in a sum total within available funds to finance the contract. Additive alternates will be used in determining the lowest responsible bidder, adding in the numerical order listed. An equal number of alternates shall be added to the base bid of each bidder within funds available to finance the contract for the purposes of determining the lowest responsible bidder. If this bid exceeds such amount, the right is reserved to reject all bids.

GENERAL BID SPECIFICATIONS

The Colorado Inactive Mine Reclamation Program *General Bid Specifications 2009*, which include General Conditions, Standard Work Specifications, and Standard Drawings and Figures are intended to complement these Special Conditions. The Special Conditions combined with the *General Bid Specifications 2009* form the complete Invitation and Bid document. Please refer to the Standard Work Specifications for all applicable types of work required in the Special Conditions. The General Conditions apply to all work covered in the Special Conditions. Copies of the General Bid Specifications are available at the Pre-Bid Meeting or from the Division of Reclamation, Mining and Safety (CDRMS), 1313 Sherman Street, Room 215, Denver, Colorado 80203 (303) 866-3567.

PROJECT DATES

The project is scheduled for construction between August 4th, 2014 and October 3rd, 2014. This includes ten (10) days mobilization time. These dates are tentative and may change.

TIME OF COMPLETION

The time of completion allowed for the project is 61 calendar days after receipt of the Notice to Proceed. This includes ten (10) days mobilization time.

LIQUIDATED DAMAGES

The liquidated damages for this project will be \$400.00 per day. Please see *General Conditions*, Article 39.

NOTICE OF AWARD AND EXECUTION OF DOCUMENTS

A Notice of Award will be sent to the apparent low bidder with reasonable promptness. The contract signing date and time will be set for fourteen (14) days after the bid is awarded. The Division of Reclamation, Mining and Safety must receive the following:

- (a) Executed Agreement;
- (b) Fully-executed Performance and Payment Bonds, accompanied by appropriate Power of Attorney, if required;
- (c) Certificates of Insurance showing proof of required coverage and Additional Insured Endorsement:
- (d) Project schedule;
- (e) AML Contractor Ownership and Control Form;
- (f) Minority (MBE)/women (WBE) Business Participation form;
- (g) Three-Way Agreement for Reclamation Activities, if required by the Special Conditions;
- (h) A list of all subcontractors to be used on the project, the work Items and dollar value to be subcontracted to each, and
- (I) Completed W-9 forms, if required (for contractors new to the State).
- (j) Project Schedule

Please consult Articles 2-7 of the General Conditions.

If the above documents are not submitted properly by the contract signing date, the Division of Reclamation, Mining and Safety may elect to award the contract to the next lowest bidder. Bidders are advised to keep close contact with CDRMS during this period.

CONDITIONS AFFECTING THE WORK

In addition to examining the drawings and specifications, completion schedule, and other instructions, bidders shall visit the site and take such other steps as may be reasonably necessary to ascertain the nature and location of the work, including average climatic conditions and the general and local conditions which can affect the work or the cost thereof. Failure to do so will not relieve bidders from responsibility for estimating properly the difficulty or cost of successfully performing the work.

PROJECT FUNDING

This project is funded by a water pollution control revolving fund grant from the Colorado Water Resources and Power Development Authority through the Water Quality Control Division, CFDA# 66.458.

CERTIFIED PAYROLL

The CONTRACTOR shall Comply with the wage requirements of the Davis Bacon Act, 40 U.S.C. § 276(a) et. seq., as supplemented by the Department of Labor regulations, 29 CFR Part 5, and any other applicable federal labor or workplace laws (Also known as Certified Payroll). Certified payroll forms must be submitted with all pay requests covering the work performed.

AMERICANS WITH DISABILITIES ACT

All programs, services and activities of the Department of Natural Resources, Division of Reclamation, Mining and Safety and the Colorado Mined Land Reclamation Board are operated in compliance with the Americans with Disabilities Act. Questions, complaints and requests for additional information may be directed to ADA Coordinator, Department of Natural Resources, 1313 Sherman Street, Room 415, Denver, CO 80203.

CORA DISCLOSURE

To the extent not prohibited by federal law, this Contract and the performance measure and standards under CRS 24-103.5-101, if any, are subject to public release through the Colorado Open Records Act, CRS 24-72-101, et. seq.

STATEWIDE CONTRACT MANAGEMENT SYSTEM

[This section shall apply when the Effective Date is on or after July 1, 2009 and the maximum amount payable to Contractor hereunder is \$100,000 or higher]

By entering into this Contract, Contractor agrees to be governed, and to abide, by the provisions of CRS §24-102-205, §24-102-206, §24-103-601, §24-103.5-101 and §24-105-102 concerning the monitoring of vendor performance on state contracts and inclusion of contract performance information in a statewide contract management system.

Contractor's performance shall be evaluated in accordance with the terms and conditions of this Contract, State law, including CRS §24-103.5-101, and State Fiscal Rules, Policies and Guidance. Evaluation of Contractor's performance shall be part of the normal contract administration process and Contractor's performance will be systematically recorded in the statewide Contract Management System. Areas of review shall include, but shall not be limited to quality, cost and timeliness. Collection of information relevant to the performance of Contractor's obligations under this Contract shall be determined by the specific requirements of such obligations and shall include factors tailored to match the requirements of the Statement of Project of this Contract. Such performance information shall be entered into the statewide Contract Management System at intervals established in the Statement of Project and a final review and rating shall be rendered within 30 days of the end of the Contract term. Contractor shall be notified following each performance and shall address or correct any identified problem in a timely manner and maintain work progress.

Should the final performance evaluation determine that Contractor demonstrated a gross failure to meet the performance measures established under the Statement of Project, the Executive Director of the Colorado Department of Personnel and Administration (Executive Director), upon request by the Department of Natural Resources, and showing of good cause, may debar Contractor and prohibit Contractor from bidding on future contracts. Contractor may contest the final evaluation and result by: (i) filing rebuttal statements, which may result in either removal or correction of the evaluation (CRS §24-105-102(6)), or (ii) under CRS §24-105-102(6), exercising the debarment protest and appeal rights provided in CRS §§24-109-106, 107, 201 or 202, which may result in the reversal of the debarment and reinstatement of Contractor, by the Executive Director, upon showing of good cause.

PROJECT WORK DESCRIPTION

BECAUSE CONDITIONS INBY CARBONERO MINE PORTAL ARE UNKNOWN, IT IS IMPOSSIBLE TO KNOW AT BIDDING WHETHER ALL ITEMS WILL BE UTILIZED OR NOT. THEREFORE, NOT ALL ITEMS ARE GUARANTEED. FURTHER, ALL QUANTITIES CONTAINED IN THE BID SCHEDULE AND IN THESE SPECIAL CONDITIONS ARE ESTIMATES. ACTUAL VOLUMES, DISTANCES, NO'S. OF SETS, ANCHORS, ETC. MAY VARY SIGNIFICANTLY FROM THE ESTIMATED QUANTITIES AS WORK PROGRESSES.

ITEM 1: Safety Health and Environmental Action Plan (SHEAP)

The job will involve working underground in an inactive mine and is therefore subject to underground mine safety protocols. It is the responsibility of the CONTRACTOR to be aware of and comply with all applicable MSHA regulations. This Item includes all the CONTRACTOR's expenses for employee time, labor, materials, and safety equipment and safety training necessary for preparing a job safety plan and getting the required safety training for all personnel who will be performing work tasks underground.

Safety Health and Environmental Action Plan (SHEAP)

The successful bidder will be required to prepare a Job Safety, Health, and Environmental Action Plan (SHEAP) for submittal to DRMS (See attached Summary List of items which must be addressed in the SHEAP). The plan must address and provide a plan of action for complying with each item checked on the form. The completed SHEAP must be approved by DRMS PROJECT MANAGER prior to mobilization. CONTRACTOR is expected to follow the accepted SHEAP for the duration of the project.

Please send the draft SHEAP to:

Allen Sorenson; Project Manager
Colorado Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203

<u>allen.sorenson@state.co.us</u>
(303) 866-3567 x 8143

Upon receipt of the SHEAP, Project Manager will either accept the plan, or request that more detail be provided.

7

NOTE that NO work, including mobilization, may begin until Project Manager has received and accepted the final SHEAP.

It is expected that the Project Safety Plan will be comprehensive and sufficiently detailed so that every member of the work crew (including sub-contractors) on site understands their responsibilities and the responsibilities of the **CONTRACTOR** to ensure a safe and injury free work place.

CONTRACTOR, their employees or sub-contractors are expected to follow the SHEAP during performance of every component of the Project. If PROJECT MANAGER determines that the SHEAP is not being followed, either in whole or in part, the Project may be immediately suspended without stopping the job clock, until such time as the SHEAP is appropriately implemented.

Safety and Environmental Protection

OSHA has jurisdiction over workers safety at this project, so the Contractor must be aware of all OSHA safety regulations that pertain to the work and jobsite. MSHA regulations are more specific to underground mining tasks and operations, so the CONTRACTOR shall obey all MSHA underground-hardrock and State of Colorado Mine Safety requirements pertaining to this type of underground work. Each piece of motorized underground equipment must conform to all applicable MSHA regulations.

CONTRACTOR will be required to station one miner outside of the mine portal while work is occurring underground. This miner will be responsible for notifying emergency personnel in case of an emergency. The CONTRACTOR must provide a means of contacting emergency personnel from the jobsite through the use of cell phone, provided that a cell signal can be acquired, or through the use of satellite phone if an adequate cell signal cannot be acquired.

In addition, all appropriate local, county, state, and federal regulations and codes shall apply to this Contract.

Safety Training

All employees or subcontracted individuals who will actually be performing work tasks or entering underground <u>must possess 40 hour MSHA form 5000-23 underground miner certification.</u> The CONTRACTOR will be responsible for all employee time and labor involved in any training as well as any costs associated with travel to or from training sites.

Measurement and Payment

There will be no measurement for payment for preparation and implementation of the SHEAP. Payment for this Item will be reflected in a lump sum bid under Bid Item 1 on the Bid Schedule. The price bid shall include all materials, labor, time, equipment, training and all other items necessary and incidental to complete the tasks described in this Bid Item. Payment will only be made at the final invoice, following completion of the Project.

ITEM 2: Mobilization and Demobilization and Site Cleanup

This Item includes those measures necessary to secure bonding and insurance, move equipment and supplies onto the project location, and establish work operations. This item also includes all labor, equipment, and costs associated with demobilization and clean-up of the work site to its original condition or better.

Mobilization and Demobilization is addressed under the General Bid Specifications 2009, Section 1.

The CONTRACTOR shall exercise care during mobilization and work operations in order to avoid damage as much as possible to public and private property The CONTRACTOR shall clean up all waste resulting from CONTRACTOR'S operations.

Mobilization of equipment must be conducted such that the traveling public is warned of the approach of heavy equipment by flaggers or a pilot vehicle. Public roads may not be totally blocked in any manner.

The Mobilization Item includes establishment of all surface infrastructure, including placement of fire extinguishers, first aid kits, first-aid stretcher stations, flammable liquids storage, and all other MSHA required equipment and materials, including placards and warning signs as required by MSHA regulations. Sanitation facilities and all MSHA first aid and safety equipment are required.

Clean-Up and Demobilization

The CONTRACTOR shall be fully responsible for all damage to public or private property caused by CONTRACTOR'S equipment, personnel or facilities. All equipment and unused supplies shall be removed from the site and all trash, construction debris, and refuse/waste resulting from execution of the job shall be picked up, removed, and disposed of offsite in an approved landfill. Any disturbances to any vegetated areas on or surrounding the job site shall be regraded, repaired, and broadcast seeded with seed supplied by the Project Manager.

Utilities

The CONTRACTOR shall also be fully aware of the location of all overhead utilities and shall ensure an adequate distance from all overhead lines. Repair of all damage to utilities is the sole responsibility of the CONTRACTOR. Damage to a utility incorrectly field identified by a representative of that utility does not relieve the CONTRACTOR of the principal responsibility of ensuring correct remedial measures. Copies of all correspondence and/or designs relative to remedial actions will be provided to the PROJECT MANAGER. If an overhead or underground utility prohibits the drilling of a hole or other work at the location designated by the PROJECT MANAGER, an alternate location shall be defined by the PROJECT MANAGER. At the completion of the project, the CONTRACTOR shall remove all materials from areas in which work was conducted. This should include, but not be limited to, trash, equipment, tools, fuel cans, oil tanks, and anything else brought onto the site by the contractor. The CONTRACTOR shall also submit all reports, and necessary records to the PROJECT MANAGER.

Access Improvements

Improvements may be necessary to roads to access the project site. If the Contractor chooses to make access improvements, such as grading or filling work, these costs should be included in this bid item. The Contractor is also responsible for any fees or permits that may be required to make road improvements, which should be coordinated through the DRMS Project Manager.

Measurement and Payment

No measurement for payment shall be made for mobilization and demobilization. Payment for mobilization and demobilization shall be reflected in a lump sum bid price under Item 2 on the Bid Schedule. Payment of two thirds of the lump sum price bid will be made with the first monthly progress payment after completion of the work described above for mobilization. Payment of one third of the lump sum price bid will be made with the final progress payment for the work if demobilization has been successfully completed. If the price bid for mobilization and demobilization is greater than 15 percent (15%) of the total contract price, invoices supporting the mobilization costs will be required before payment is approved. Invoices are to be accompanied by Daily Job Logs summarizing the work included in the invoice.

ITEM 3: Construct Sediment Pond

A Sediment Pond will be constructed above Ophir Pass Road at the location illustrated on the attached aerial photograph. The Sediment Pond will be field fit to existing ground conditions as directed by the Project Manager, and will be constructed using onsite sand and gravel, in accordance with the following procedure.

- 1. Three (3) side-by-side eight-inch (8-in.) diameter schedule 40 plastic pipes (PVC, HDPE, or ABS) will be placed into the existing flow path of the Carbonero Mine discharge at the location above Ophir Pass Road designated for Sediment Pond construction as illustrated on the attached aerial photograph. The pipes will be bedded and covered with three inch (3") minus sand and gravel to form a diversion dam. The pipe bedding is available from onsite materials, but may require screening or other means of segregation to meet the sizing criteria. Each pipe will be twenty feet (20 ft.) long, sixty feet (60 ft.) total, and each pipe will be provided with a water tight inside plug, with rope pull, to seal the upstream ends at the time when water is to be diverted to the Sediment Pond.
- 2. A cut-and-fill pond will be excavated and constructed adjacent to the existing flow path of the Carbonero Mine discharge. The pond will be triangular to fit the ground conditions, with plan dimensions approximately 60 ft. x 100 ft. x 120 ft. The pond will be incised on the 60 ft. leg and partially bermed on the other two legs to achieve an average pond depth of six feet (6 ft.). A three foot wide spillway will be constructed connecting the upstream end of the pond to the existing flow path. The spillway will be lined with geotextile, six to eight ounce per square yard nonwoven needle-punched, and armored with nominal ten inch (10-in.) non-acid forming riprap.
- 3. Three (3) side-by-side eight-inch (8-in.) diameter schedule 40 plastic pipes (PVC, HDPE, or ABS) will be installed as outlet pipes through the berm at the low end of the sediment pond. The outlet pipes will be routed down the berm and underneath Ophir Pass Road.

Where the pipes are buried, they will be bedded and covered with three inch (3") minus sand and gravel, with cover thickness of one foot (1 ft.). It is anticipated that about 150 linear feet of pipe will be required, with sufficient numbers of couplings and elbows to route the pond discharge back into the primary flow path below the road.

- 4. The discharge ends of the pond outlet pipes will be fitted with fifteen foot by fifteen foot (15 ft. x 15 ft.) filter bags. The filter bags will be deployed over cargo nets to facilitate their removal once they are filled with sediment. The filter bag installation area will require grading and berming to route the discharge from the bags to the existing flow path. The filter bags will be medium weight, six to eight ounce per square yard nonwoven needle-punched geotextile. It is anticipated that the filter bags will be changed out three (3) times during the course of the project. Therefore, a total of nine (9) filter bags will be required.
- 5. At the conclusion of the project, and as needed during the course of the project, the Sediment Pond will be cleaned, and the sediment placed in the Disposal Area described in Item 7. For bidding purposes, CONTRACTOR should assume that the pond will be cleaned twice. The nine (9) spent filter bags will also be placed in the Disposal Area. The Sediment Pond and pipelines will be left in place at the conclusion of the project. The CONTRACTOR will grade and berm the existing flow path as directed by the PROJECT MANAGER to prevent water from entering the pond.

Ophir Pass Road is a heavily used recreational route for jeeps and other high ground clearance vehicles. During construction and operation of the Sediment Pond and related facilities, standard road work warning signs must be installed above and below the work area. While pipes are being installed under the road, an alternate route must be provided around the work area. Ophir Pass Road must remain open and passable throughout the course of the project.

Measurement and Payment

1779419

No measurement for payment shall be made for construction of the Sediment Pond and appurtenances. Payment will be made by lump-sum in accordance with the amount bid under Item 3 on the Bid Schedule. The price bid shall include all costs for labor, materials, equipment and all other items necessary for Sediment Pond supply, installation, maintenance and cleaning as described in this item. Such payment shall be considered full compensation for all labor, materials, equipment and all other items necessary and incidental to the completion of Item 3.

ITEM 4: Carbonero Mine Discharge Treatment with Flocculent

This item covers the treatment with flocculent of mine discharge. The CONTRACTOR will be responsible for adding flocculent to Carbonero Mine discharge water such that Total Suspended Solids (TSS) levels are reduced within the Sediment Pond system to ensure clear water discharge.

The CONTRACTOR must supply a flocculent in sufficient quantity to accelerate settlement of suspended solids within the pond prior to discharge. The CONTRACTOR may supply a flocculent of their choosing, but must provide documentation to the PROJECT MANAGER demonstrating that the chosen flocculent is capable of increasing settlement of suspended solids in mine effluent, and will not clog the filter bags. The CONTRACTOR must also provide an MSDS sheet for the proposed flocculent, which must be non-toxic and suitable for use in natural water bodies.

The CONTRACTOR will be required to add flocculent near the mine portal to ensure that flocculent is well mixed during discharge into the Sediment Pond. The system and/or mechanism used for flocculent addition is up to the CONTRACTOR, but it must be capable to supply sufficient flocculent to ensure clear water discharge from the Sediment Pond system.

The dosing rate may vary considerably due to the flow and initial concentration of TSS in the discharge water. The CONTRACTOR will work with the PROJECT MANAGER to adjust dosing during the life of the project to ensure clear water discharge from the Sediment Pond system.

Chitosan flocculent has been used to successfully settle solids at similar projects. Chitosan is non-toxic and will not clog the filter bags.

Measurement and Payment

Payment for this item will be made at the unit price established in Item 4 of the Bid Schedule. Measurement for payment will be made to the nearest one pound (1 lb) of flocculent used for treatment. The price bid shall include all costs for labor, materials, equipment and all other items necessary for mine discharge treatment with flocculent as described in this item. Such payment shall be considered full compensation for all labor, materials, equipment and all other items necessary and incidental to the completion of Item 4.

ITEM 5: Remove Carbonero Mine Adit Portal Structures and Construct Working Platform

The Carbonero adit portal has a timber and corrugated steel A-frame snow shed over a concrete channel and flume that carries the discharge from the mine. Inby the snow shed is a thirty inch (30") diameter CMP culvert with steel grate door, and four (4) each eight inch (8") drain pipes below the culvert. CONTRACTOR will remove loose rock from around and above the snow shed and dismantle or otherwise demolish the shed. Timbers and other debris from shed removal may be salvaged or will be properly disposed of off-site.

A working platform will be constructed over the concrete channel and flume by installing three (3) E-1 panels in general accordance with Precast Concrete Panel Closure specifications (Section 4.0, Standard Work Specifications, General Bid Specifications, 2009). Five steel beams are required. Variations from the Standard Work Specifications for this installation are as follows:

1. CONTRACTOR will transport the three (3) E-1 panels to the project site from a storage yard located in Dumont, Colorado, a distance of approximately 330 highway miles.

- Steel cables with clamps, and rock anchors may be required to secure the precast concrete panels. Cables and clamps, if required, will be covered under Item 19, Provide Additional Underground Rehab Materials. Rock anchors, if required, will be covered under Item 16, Provide and Install IBO Rods. Installation of cables and clamps will be covered under Item 18, Two Person Underground Mine Crew.
- 3. CONTRACTOR will install wood sheathing over the working platform. Sheathing will be Douglas fir or equivalent quality as approved by PROJECT MANAGER. Sheathing will be three inch by six inch (3" x 6") minimum. Approximately 210 square feet of sheathing will be required.
- 4. No Monument (brass cap) is required.

CONTRACTOR shall carefully ream the four (4) drain pipes using rods, well points, or other suitable tools or devices. The release of sediments from within and behind the drain pipes must be minimized and controlled during reaming operations. The length of the drain pipes is unknown. For bidding purposes, assume that the pipes are thirty feet (30') long. CONTRACTOR will dismantle or otherwise demolish drain pipes, culvert, and adit door. The brass cap from the adit door shall be salvaged and re-installed on the new adit door (Item 9). Demolition debris may be salvaged or will be properly disposed of off-site.

The bedrock areas around the portal will be scaled and faced to remove all loose rock and create a stable condition in preparation for Item 7, provide and install steel sets. Facing up and scaling of the portal area is required in order that all loose rock, colluvium, till and other materials are removed in order to create a stable rock perimeter sufficient to protect the portal shed from falling debris.

Measurement and Payment

1779419

Payment for Item 5 will be made in a lump sum bid price under Bid Item 5 in the Bid Schedule. The bid price should include all equipment, labor, and materials necessary and incidental to remove and dispose of portal structures and to scale and face-up the portals. Payment shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the CONTRACTOR'S expense. Refer to referenced Standard Work Specifications sections for Measurement and Payment for precast concrete panels. Steel Beams installed in excess of the estimated number will be paid according to the unit price bid for installation of additional Steel Beams under Item 22. The price bid shall include all of CONTRACTOR'S cost of whatever nature to provide a complete working platform installation in accordance with the plans and specifications, including storage and handling of precast concrete units, clearing and grubbing, surveying, excavation, hand trimming, leveling, including concrete work, installation and welding, sheathing, backfill and final grading, and spoil handling.

ITEM 6: Provide and Install Steel Sets

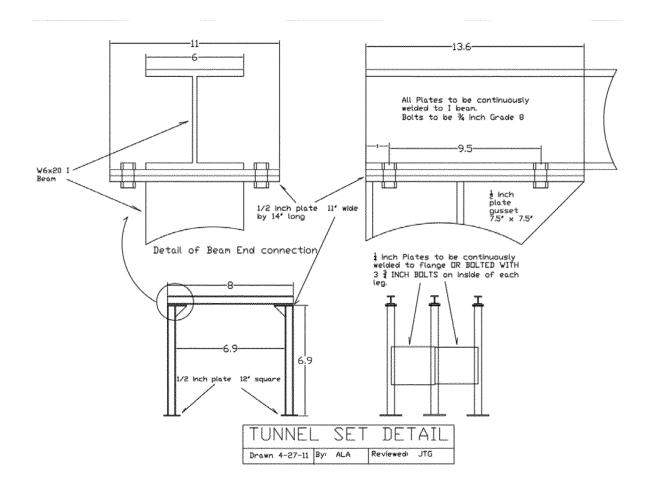
A new portal shed will be constructed using steel sets at the Carbonero Mine adit. Steel set installation may also be required in areas deeper in the mine to provide ground stabilization. CONTRACTOR will construct steel tunnel support sets with minimum W6x20 wide flange posts and W6x20 wide flange caps, assembled with \(^3\)/4 inch high strength bolts (grade 8) with nuts, 1/2-inch thick connecting plates, and standard W-Beam galvanized highway guard rail lagging. Double gussets will be installed on each connection between cap and post. Steel sets shall be 50 ksi steel, A572, A992, A441 or other structural steel meeting the minimum strength requirement of 50 ksi. Steel sets will be diagonally braced by welding or bolting four feet (4 ft.) by four feet (4 ft.), one-fourth inch (1/4-in.) thick steel plate from leg to leg on each side (If bolted, use three (3) each three-fourths inch (3/4-in.) bolts and nuts on each side of the 4 ft. x 4 ft. plate). CONTRACTOR must also supply and install sufficient wood cribbing to crib three feet over the top of each set wedged tight to the back. See drawings immediately below. The steel sets shall be erected at a spacing of no more than four feet (4 ft.) center to center, except as directed by Project Manager. Each post will be anchored to the floor with split set bolts. For bidding purposes, one set will be eight feet (8 ft.) high by seven feet (7 ft.) wide at the cap, with lagging for both sides and the top, cribbing, split set bolts, and labor to install the set.

Portal shed will protrude a sufficient distance outby the portal face-up to protect personnel from rock fall, as determined by the PROJECT MANAGER. Lagging on the protruding shed will be protected from rock fall by installation of minimum four feet (4 ft.) soil or timber cushion. Steel sets will be installed inby the portal face-up to a point where competent ground stands without support, as determined by the PROJECT MANAGER. If additional cavity stabilization beyond the wood cribbing is necessary it is included under Item 13: Provide and Install Cavity Filling Foam over Timber and steel sets.

Measurement and Payment

1779419

Payment for this Item will be made at the unit price established in Item 6 of the Bid Schedule. Measurement for payment will be made per steel set installed. A steel set shall consist of two (2) legs, four (4) split sets, one (1) cap piece, steel guardrail lagging to cover the entire outside of the steel set, diagonal bracing from leg to leg on each side, and sufficient wood cribbing to crib three feet over the top of the set, wedged tight to the back. Payment shall only be made per steel set (as defined in this Item) installed and accepted. Such payment shall be considered full compensation for all labor, materials, equipment and all other items necessary and incidental to the completion of Item 6.



ITEM 7: Excavate Disposal Area in Mine Dump

Contractor shall excavate a disposal area in the mine dump at a location designated by the Project Manager, segregating the upper soil layer for use in covering the finished disposal area. The disposal area will be used by the contractor to dispose of the sediment and spent filter bags from the Sediment Pond and mine waste produced in the mucking process that cannot be disposed in the underground workings. At the conclusion of the project, the disposal area will be backfilled using the previously excavated waste, and compacted. Previously salvaged soil will be replaced and the surface will be re-graded to approximate the pre-construction ground surface and severely roughened.

Measurement and Payment

No measurement for payment shall be made for excavation of a disposal area. Payment will be made by lump-sum in accordance with the amount bid under Item 7 on the Bid Schedule. The price bid shall include all costs for labor, materials, equipment and all other items necessary for excavation, maintenance and backfilling of the disposal area as described in this item. Such payment shall be considered full compensation for all labor, materials, equipment and all other items necessary and incidental to the completion of Item 7.

ITEM 8: Bar Down and Muck the Carbonero Adit

This Item involves underground clean-up and rehabilitation of the Carbonero adit. The adit will be thoroughly barred down so that a clean path free of debris is maintained throughout the adit at all times. Work shall be done in increments barring down and mucking contemporaneously. No area will be mucked prior to barring down and assessing adit stability.

Procedure:

- All areas of the adit will be thoroughly barred down to assess the condition of the back (roof) prior to any mucking. If problem areas are found by the CONTRACTOR they must be discussed with the PROJECT MANAGER and methods of dealing with the problem areas will be decided upon.
- 2. After the section of adit has been barred down and assessed for stability the adit will be mucked. Sludge and sediments as well as rail and ties that interfere with creation of a smooth, passable surface will be removed to the surface or disposed underground at locations pre-approved by the PROJECT MANAGER. The contractor may choose the equipment to use for mucking and tramming. NOTE that permits may be required for diesel-powered equipment to be used underground. Only the CONTRACTOR who is awarded the bid need apply for Diesel Permits for this project.
- 3. Muck and sediments will be mucked to the sides of the adit as necessary to provide and maintain safe, relatively dry, passage three to four feet wide for in ingress and egress to the advancing work area. Ditching will be necessary to contain and allow water flow to pass by the work areas without spreading out into the adit.
- 4. It should also be noted that when using diesel-powered equipment adequate ventilation is of utmost importance. A minimum of seventy five (75) cubic feet per minute of fresh air ventilation is required for each horsepower (cumulative) of engines operating underground. The CONTRACTOR has the option of choosing how to adequately ventilate the adit in order that air quality not be diminished.

Measurement and Payment

1779419

Payment for this item will be made at the unit price established in Item 8 of the Bid Schedule. Measurement for payment will be made to the nearest one foot (1 ft.) of adit barred down and mucked. The price bid shall include all costs for labor, materials, equipment and all other items necessary for barring and mucking as described in this item. Such payment shall be considered full compensation for all labor, materials, equipment and all other items necessary and incidental to the completion of Item 8.

ITEM 9: Provide and Install Double Adit Door Closure

The CONTRACTOR will install a locking double adit door closure at the Carbonero adit portal. Adit door design, construction and installation shall be adapted from General Bid Specifications 2009, Section 12 and Standard Drawing No. 7 and be pre-approved by the Project Manager. The door frame may be anchored to the portal shed constructed under Item 7: Provide and Install Steel Sets. The dimensions of the adit door will be eight feet (8 ft.) high by six feet (6 ft.) wide. The brass cap salvaged under Item 5 shall be installed on the new adit door.

Measurement and Payment

Payment for Item 9 will be made in a lump sum bid price under Bid Item 9 in the Bid Schedule. The price bid shall include all of CONTRACTOR'S cost of whatever nature to provide a complete locking double adit door installation in accordance with the plans and specifications, including all necessary materials, fabrication of the door, excavation and welding.

ITEM 10: Muck Caved Areas

Mucking of any caved areas will be done in incremental steps as stabilization of the caved roof progresses. When the caved muck piles are breached there is a danger of oxygen deprivation or suffocation. Carbon dioxide can build-up behind caved areas. At all times CONTRACTOR, sub-contractors and employees MUST have immediate access to an oxygen generating self-contained self-rescuer and adequate ventilation must be provided at the working face. A gas meter, calibrated in accordance with manufacturer's specifications and that measures oxygen, hydrogen sulfide and carbon monoxide levels, MUST accompany each underground work crew and be operational at all times.

Procedure:

- The working face shall be inspected, barred down and stabilized prior to any mucking duties performed. The mucking work will be performed contemporaneously with the stabilization of the caved roof and shall progress as the roof is stabilized.
- Once the adit is found to be suitably stable at the given area it will then be mucked.
- 3. The safety and stability of any mucking must be evaluated by the PROJECT MANAGER prior to mucking and as mucking proceeds. The back (roof) above all cave-ins/blockages to be mucked under this contract must be inspected by the PROJECT MANAGER prior to mucking. Any work done under caved roof areas without the PROJECT MANAGER first inspecting it will result in termination of this contract.
- 4. NOTE that when using power-diesel equipment adequate ventilation is of utmost importance. A minimum of seventy five (75) cubic feet per minute of fresh air ventilation is required for each horsepower (cumulative) of engines operating underground.
- 5. It is estimated that less than 100 cubic yards of material will need to be moved from the caved-in areas. However, the Carbonero adit has not been inspected by DRMS, and has not been observed by anyone since the 1990s.

- 6. Muck and sediments will be mucked to the sides of the adit/drift as necessary to provide and maintain safe, relatively dry, passage – three to four feet wide - for in ingress and egress to the advancing work area. A ditch will be constructed along the side of the adit/drift to contain and allow water flow to pass by the work areas without spreading out into the adit.
- 7. Muck will need to be removed to the surface or disposed underground at locations preapproved by the PROJECT MANAGER.

Measurement and Payment

Payment for Item 10 will be paid for in a unit bid price per cubic yard under Bid Item 10 in the Bid Schedule. CONTRACTOR must coordinate with the PROJECT MANAGER to observe and measure mucking operations. Any mucking that is not observed and measured by the PROJECT MANAGER will not be paid for under any circumstances. Payment for this Item at the unit price bid will be considered full compensation for all equipment, labor, and any other items necessary and incidental to complete Item 10 as specified. Payments shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the Contractor's expense. This Item is **NOT Guaranteed**.

ITEM 11: Provide and Install Timber Sets

With the exception of the portal areas where steel is specified, timber may be utilized for roof support. Timbering will be paid per timber set installed. Prior to the installation of any timber sets the PROJECT MANAGER must be notified and agree to the use of timbers in the adit, drifts, and inclines. Timber sets will be Douglas fir or equivalent quality as approved by PROJECT MANAGER. Posts and caps will be eight inch by eight inch (8" x 8") minimum. Lagging will be three inch by six inch (3" x 6") minimum. CONTRACTOR must also supply and install sufficient wood cribbing to crib three feet over the top of each set wedged tight to the back. For bidding purposes one set of timber will be composed of an eight foot by eight foot (8' X 8') set by five feet (5') long, consisting of two posts, one cap, two collar braces, two knee braces, lagging for both sides and the top, cribbing, and labor to install the set. Caps will either be notched, or lagging will be attached to the cap to prevent the posts from sliding in towards the center. If additional cavity stabilization beyond the wood cribbing is necessary it is included under Item 15. Provide and Install Cavity Filling Foam over Timber and steel sets. This Item is NOT Guaranteed.

Measurement and Payment

Payment for Item 11 will be paid per timber set installed under bid Item 11 on the Bid Schedule. The bid price must include all materials, installation, equipment, labor, and any other items necessary and incidental to complete Item 11 as specified. Payment shall only be made per timber set (as defined in this Item). Payments shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the Contractor's expense. This Item is **NOT Guaranteed.**

ITEM 12: Provide and Install Split Set Rock Bolts

Rock bolting with 39 mm split sets may be utilized to stabilize portions of the mine workings. The standard length for the rock bolts will be four feet (4'). Any drilling must be done wet with water supplied through the drill steel. The CONTRACTOR has the option of either using on-site water or furnishing their own water from offsite. This Item is **NOT Guaranteed.**

Procedure:

- Prior to any installation of roof support, the PROJECT MANAGER and the CONTRACTOR must agree on where and why roof support is needed. The PROJECT MANAGER has the ultimate decision of the location and type of roof support needed. Any roof support installed without the consent of the PROJECT MANAGER will not be paid for under any circumstances.
- 2. Rock bolts will be installed using a jackleg drill, or comparable piece of equipment as deemed appropriate by the PROJECT MANAGER. The CONTRACTOR is responsible for supplying power to drill, air or otherwise.
- 3. The CONTRACTOR will also supply and install a six inch by six inch by one-fourth inch $(6^{\circ} \times 6^{\circ} \times 1/4^{\circ})$ anchor plate with every rock bolt.

Measurement and Payment

Payment for ITEM 12 will be paid for per rock bolt installed, including anchoring plate, under Bid Item 12 on the Bid Schedule. The price bid for this Item will include all materials, equipment, power source and labor necessary and incidental to accomplish the Item as described. No payment shall be made for improperly set rock bolts. Payments shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the CONTRACTOR'S expense. This Item is **NOT Guaranteed**.

ITEM 13: Provide and Install Cavity Filling Foam over Timber and Steel Sets

Cavity filling foam may be needed in unstable high back (roof) conditions. Voids above sets will be filled with Meyco MP-367 foam or comparable equivalent, as pre-approved by the PROJECT MANAGER. Prior to any foam placement, the PROJECT MANAGER and the CONTRACTOR must agree on where and why foam is needed. The PROJECT MANAGER has the ultimate decision of the location and type of cavity filling foam needed. Any foam installed without the consent of the PROJECT MANAGER will not be paid for under any circumstances. Foam must be placed per manufacturers specifications. Foam will be paid per volume of the area filled. This Item is **NOT Guaranteed.**

Measurement and Payment

Payment for Item 13 will be paid by the volume filled, in cubic yards, with foam under Bid Item 13 in the Bid Schedule. Payment shall only be made at the unit price established on the Bid Schedule, Item 13. The price bid must include all materials, installation, equipment, labor, and any other items necessary and incidental to complete Item 13 as specified. Payment shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the CONTRACTOR'S expense. This Item is **NOT Guaranteed.**

ITEM 14: Drilling and Blasting

Some slabs may be too large to handle and will need to be broken in order to remove them from the tunnels and drifts. If this is required a certified blaster must perform the blasting activities. For bidding purposes, assume ten feet (10') of drilling and two (2) sticks of explosive per shot. Rock crackers or hydraulic splitters are an acceptable alternative and should be bid to accommodate ten feet (10') of drilling. This Item is **NOT Guaranteed.**

Measurement and Payment

Payment for Item 14 will be paid per completed shot at the unit price bid in Item 14 in the Bid Schedule. The price bid must include all materials, drilling, explosives, special safety precautions, equipment, labor, and any other items necessary and incidental to complete Item 14 as specified. Payment shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the CONTRACTOR'S expense. This Item is **NOT Guaranteed.**

ITEM 15: Provide and Install Galvanized Wire Mesh, Chain Link Fence, and Mine Straps

Additional stabilization to complement rock bolting may be needed in the form of chain link fencing, wire mesh, and mine straps (all must be galvanized). Chain link fencing and wire mesh may also be used to cordon off unsafe underground mine workings as directed by PROJECT MANAGER. This Item is **NOT Guaranteed.**

Procedure:

- Prior to installation of any roof support the PROJECT MANAGER and the CONTRACTOR must agree on where and why roof support is needed. The PROJECT MANAGER has the ultimate decision of the location and type of roof support needed. Any roof support installed without the consent of the PROJECT MANAGER will not be paid for under any circumstances.
- 2. Chain link fencing or wire mesh shall be of gauge 12 or greater and will be installed using rock bolts as pins, with plates, to hold the mesh or fencing up. Mine straps will also be held in place using rock bolts and plates. The bolt plates must come in contact with the mesh, fence, or strap, which must in turn contact the rock face.

3. Rock bolting using split sets is explained and will be paid under Item 12. Anchoring with IBO rods is explained and will be paid under Item 16.

Measurement and Payment

Payment for Items 15.1 and 15.2 will be paid for per square foot of wire mesh or chain link and per linear foot of mine strap installed under bid items 15.1 and 15.2 on the Bid Schedule. Payment shall only be paid for the actual quantity of each material installed. Payments shall only be made for those items shown on the Bid Schedule. The prices bid for this Item will include all materials, equipment, power source and labor necessary and incidental to accomplish the Item as described. All other incidental costs shall be reflected in each Bid Item or shall be paid at the CONTRACTOR'S expense. This Item is **NOT Guaranteed.**

ITEM 16: Provide and Install IBO rods

Spiling and/or anchoring with thirty eight millimeter (38 mm) thick wall Dywidag Systems IBO rods, or equivalent as approved by PROJECT MANAGER may be utilized to stabilize portions of the mine workings and/or to anchor new portal facilities. The standard length for the rods will be 3000 millimeters (3000 mm). Standard anchor plate dimensions will be 180 by 180 by eight millimeters (180x180x8 mm). Note that spiling operations will generally not require anchor plates. Any drilling done in the Carbonero Mine must be done wet. The CONTRACTOR has the option of either using on-site water or furnishing water from offsite at CONTRACTOR's expense.

Procedure:

- Prior to any installation IBO rods, the PROJECT MANAGER and the CONTRACTOR
 must agree on where and why spiling or anchoring is needed. The PROJECT
 MANAGER has the ultimate decision of the location and type of spiling or anchoring
 needed. Any IBO rods installed without the consent of the PROJECT MANAGER will not
 be paid for under any circumstances.
- 2. The CONTRACTOR is responsible for supplying power to install IBO rods, air or otherwise.
- All IBO rods will be grouted unless otherwise directed by PROJECT MANAGER.
- 4. For bidding purposes, assume that for each two IBO rods, one coupling must be provided and installed.

Measurement and Payment

Payment for Item 16 will be paid for by the quantity IBO rods installed under Bid Item 16 on the Bid Schedule. The standard length for IBO rods will be 3000 millimeters (3000 mm), and payment will be per rod installed and shall include a 180 by 180 by eight millimeters (150x150x8 mm) anchor plate unless otherwise directed by PROJECT MANAGER. Payment shall only be paid for the actual amount of materials installed. No payment shall be made for improperly set IBO rods. This bid item will set the price for spiling and anchoring for the duration of mine rehabilitation. Payments shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the CONTRACTOR'S expense. This Item is **NOT Guaranteed.**

ITEM 17: Install Sets by Forepoling

Forepoling may be required to minimize personnel exposure to caving material. See Item 6 for Steel Set specifications and requirements.

Procedure

- Prior to forepoling, the PROJECT MANAGER and the CONTRACTOR must agree on where and why it is needed. The PROJECT MANAGER has the ultimate decision of the location and type of roof support needed. Any roof support installed without the consent of the PROJECT MANAGER will not be paid for under any circumstances.
- 2. Clamp beams to previously installed sets. The beams are slid forward as mucking progresses.
- 3. The crown bar, or top beam, of the set is placed on top of the forepoles with personnel remaining under the last installed set.
- 4. Lagging is placed from the inby side of the last installed set and extended over the crown bar that is held by the forepoles prior to installation of the columns of the next set.

Measurement and Payment

Payment for Item 17 will be paid per steel set installed under Bid Item 17 on the Bid Schedule (See Item 6 for description of Steel Set). The bid price should include all materials and installation. Payment shall only be paid for the actual amount of materials installed. This bid item will set the price for foreploing for the duration of mine rehabilitation. Payments shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the Contractor's expense. This Item is **NOT Guaranteed.**

REVEGETATION REQUIREMENTS

There are no revegetation requirements for this project.

PROJECT OBSERVATION

The PROJECT MANAGER will be at the project site periodically to monitor construction activities and ensure that each work item is completed and constructed to design specifications. The PROJECT MANAGER will be available during regular business hours (8:00 A.M. to 5:00 P.M.) on weekdays. Inspections will not be scheduled on weekend days or holidays without prior approval of the PROJECT MANAGER. It is the Contractor's responsibility to schedule inspections with the Project Manager so as not to delay the work. Mucking operations under Item 10 must be observed or measured by the PROJECT MANAGER for measurement for payment.

ADDITIONAL BID ITEMS

There are included on the Bid Schedule, several additional bid items. These bid items are not guaranteed, and will be used only in the event that conditions change on site, and only after approved by the PROJECT MANAGER. The additional bid items for this project include:

ITEM 18: Underground Mine Crew

CONTRACTOR will provide a two-person underground mine crew to conduct miscellaneous tasks as directed by the PROJECT MANAGER. The Contractor's bid hourly rate should include all costs, profit, and overhead for furnishing the mine crew with all of their equipment for underground work on an hourly basis. The Contractor's bid hourly rate should include the cost to station a third person outside of the mine portal while work is occurring underground as required by the SHEAP. Materials to complete these tasks will be provided under Item 19, Provide Additional Underground Rehab Materials. The crew must be safety trained as described under Item 1, and one member of the crew must have a minimum two-years experience as an underground miner. Documentation of experience must be provided upon request of the PROJECT MANAGER. NOTE that when the Underground Mine Crew is working, an additional person must be stationed outside the mine at all times.

Measurement and Payment

Payment for the underground mine crew will be made per hour of combined crew work completed. Payment shall only be made for the actual number of crew-hours worked. Payments shall only be made for those items shown on the Bid Schedule. All other incidental costs shall be reflected in each Bid Item or shall be paid at the CONTRACTOR'S expense. This Item is **NOT Guaranteed**.

ITEM 19: Provide Additional Underground Rehab Materials

CONTRACTOR shall provide additional underground rehab materials only as designated and requested by the PROJECT MANAGER. Additional underground rehab materials may include but are not limited to various length spiling rods, spiling rod couplers, channel spiling, various length split sets, spiling rod anchor plates, A-36 steel in various shapes and sizes, and any other materials deemed necessary for completion of underground rehab not covered the other items of these Special Conditions. CONTRACTOR will be required to purchase and supply to the site any requested materials or an equivalent alternative agreed to by the PROJECT MANAGER..

Installation of additional underground rehab materials will be covered under Item 18, Two Person Underground Crew.

Measurement and Payment

Payment for this item will be made based on CONTRACTOR's submission of receipts for the requested items delivered to the site. Payment will include documented receipt value of item requested plus an additional twenty percent (20%) of the documented receipt value of the requested item. Such payment shall be considered full compensation for provision of the requested items and delivery to the site. This Item is **NOT Guaranteed.**

ITEM 20: Additional Equipment Time, Excavator with Thumb and Operator

Up to thirty (30) hours of additional excavator time (Caterpillar 312 w/ eighteen foot (18 ft) minimum digging depth, equivalent, or larger) will be used as directed by the PROJECT MANAGER for various activities onsite in accordance with Standard Work Specifications, Section 19.0 of the *General Bid Specifications*, 2009. The additional excavator time may be used to maintain the mine road to the project site, as the road is subject to erosion and mud slides.

All equipment shall be of the type and equipped as specified above. Equipment must be in good operating condition and must be maintained in good operating condition by the CONTRACTOR throughout the life of the contract. The PROJECT MANAGER shall be the sole judge of whether equipment is or is not in "good operating condition".

The numbers of hours indicated above, and on the Bid Schedule are estimated. It is impossible to determine in advance the actual number of hours that the equipment will be required to be used, or to guarantee that any equipment time will be necessary.

The equipment shall be furnished complete with competent operating personnel. Operators shall be qualified to perform all work under this specification in a skillful and professional manner. The OWNER may, in writing, require the CONTRACTOR to remove from the work any employee the OWNER deems incompetent or careless. The OWNER will be the sole judge of the acceptability of any employee.

The CONTRACTOR shall be responsible for the supervision of all mechanical operations of the equipment including proper maintenance. Equipment maintenance, fueling and repairs shall be done so that spilling of lubricants and fuel is minimized.

All operations under this section will be under the direct supervision of the PROJECT MANAGER and work under this section shall be performed only as ordered and directed by the PROJECT MANAGER. The PROJECT MANAGER will designate the work to be performed and the order in which it is to be done, and WILL inspect all work. The PROJECT MANAGER will maintain documentation of the work.

"Operation" means that time spent in performing work as well as time necessary for moving equipment around the work site when directed by the PROJECT MANAGER. However, "operation" does not include that time spent in transporting the equipment to the initial work site, removing the equipment when all work has been completed, transporting the equipment away from and returning it to the work site in the event of a temporary or seasonal suspension of operation, maintenance of the equipment, any time during which the equipment is "bogged down" or otherwise not working, nor for any periods when operations are suspended by the PROJECT MANAGER.

Measurement and Payment

The number of hours each piece and type of equipment used as directed by the PROJECT MANAGER under this specification will be counted to the nearest one-half hour. Payment will be made at the unit price established in Item 20 of the Bid Schedule. Such payment shall include the cost of all materials, accessories, labor, maintenance, operating supplies, salaries of operators, and any other expenses incidental to the operation of the equipment in the performance of work in accordance with this specification and bid item(s). No extra payment will be made for the use of the same equipment while performing work on other bid items on the Invitation and Bid Sheet or Bid Schedules. No additional payment will be made for hauling equipment to or away from the work site except as may be proper under Mobilization/Demobilization. This Item is **NOT Guaranteed**.

ITEM 21: Crew Standby

This item shall include all time of interruption or delay directed by the PROJECT MANAGER, and shall include all costs of providing the complete underground rehabilitation crew and equipment on a standby basis.

Measurement and Payment

Standby time will be paid for in one-half hour increments, only after one-half hour of delay. Time shall start at the beginning of the delay. Payment shall be made at the unit price per crew hour, as indicated under Item 21 on the bid schedule. This Item is **NOT Guaranteed.**

ITEM 22: Additional Beams

Provide and install five (5) additional steel beams, per specifications (Section 4.0, Standard Work Specifications, General Bid Specifications, 2009) if required.

Measurement and Payment

Measurement for payment shall be made of the actual unit quantities provided and installed according to specification, at the unit cost indicated on the Bid Schedule. This Item is **NOT Guaranteed**.

STANDARD WORK SPECIFICATIONS

SAFETY, HEALTH, & ENVIRONMENTAL ACTION PLAN RESPONSE ITEMS

The following is a summary list of items that must be addressed in writing by the CONTRACTOR. All items that are checked (\boxtimes) apply to the work to be performed and must be addressed in a written plan. Each employee is to read and sign the plan as part of the project orientation prior to starting work on the project.

A. SITE ACCESS

No person may enter the job site without first receiving hazard training from CONTRACTOR'S safety representative.	Х
CONTRACTOR employees are required to travel to and from their work areas by designated routes.	X
All CONTRACTOR equipment is subject to a safety inspection before entering the job site.	

B. PART 48 TRAINING REQUIREMENTS

Each CONTRACTOR employee shall receive orientation training, provided by the CONTRACTOR, comprised of all aspects of the contract's Safety, Health	Х
and Environmental Action Plan (SHEAP).	

C. SUBSTANCE ABUSE SCREENING

Alcohol and drugs are not allowed on the job site.	X

D. PROACTIVE SAFETY

The CONTRACTOR shall designate one person to be the safety representative responsible for safety and health at the work site.	Х
The CONTRACTOR shall conduct safety meetings at least weekly.	X
All safety meetings shall be documented and include the date, subject matter, trainer and all participants signatures.	Х
Daily pre-job safety talks shall be given by the CONTRACTOR.	Х
Any change in the daily work plan shall be communicated by the CONTRACTOR to all affected personnel.	Х
The CONTRACTOR shall conduct daily work area inspections.	Х
These inspections shall be documented in an approved book.	

E. GENERAL SAFETY STANDARDS

Horseplay will not be tolerated.	Х
Safety glasses, steel toe boots and hard hats are required to be worn at all times. This equipment must meet ANSI standards.	Х
Safety glasses and a face shield or goggles are required when performing any work that generates or could generate flying debris or when this type of work is being performed.	Х

Colorado Division of Reclamation, Mining and Safety

SPECIFIC CONDITIONS SHEAP

As of 12/19/11 Page 1

1779419 ED_000552_00032347-00031

Procedures for night work shall be established and adequate illumination shall be provided. During drilling and underground work, a recently calibrated multi gas tester with audible alarm (measuring O ₂ , CO, H ₂ S) shall be used at all times. A record shall be kept of tests. An MSHA 40 hour underground mine safety training certificate, or a current Underground Miner training certificate, is required for each employee working underground. Self-rescuers must be worn during underground work.	X
Procedures for night work shall be established and adequate illumination shall be provided. During drilling and underground work, a recently calibrated multi gas tester with audible alarm (measuring O ₂ , CO, H ₂ S) shall be used at all times. A record shall be kept of tests. An MSHA 40 hour underground mine safety training certificate, or a current Underground Miner training certificate, is required for each employee working underground. Self-rescuers must be worn during underground work.	X
During drilling and underground work, a recently calibrated multi gas tester with audible alarm (measuring O ₂ , CO, H ₂ S) shall be used at all times. A record shall be kept of tests. An MSHA 40 hour underground mine safety training certificate, or a current Underground Miner training certificate, is required for each employee working underground. Self-rescuers must be worn during underground work.	X
audible alarm (measuring O ₂ , CO, H ₂ S) shall be used at all times. A record shall be kept of tests. An MSHA 40 hour underground mine safety training certificate, or a current Underground Miner training certificate, is required for each employee working underground. Self-rescuers must be worn during underground work.	
An MSHA 40 hour underground mine safety training certificate, or a current Underground Miner training certificate, is required for each employee working underground. Self-rescuers must be worn during underground work.	х
Underground Miner training certificate, is required for each employee working underground. Self-rescuers must be worn during underground work.	x
Self-rescuers must be worn during underground work. Rubber boots or waders shall be provided for each employee working in wet	- 1
Rubber boots or waders shall be provided for each employee working in wet	$\neg \vdash$
Rubber boots or waders shall be provided for each employee working in wet	
conditions.	X
Temperature sensors shall be provided at work locations.	
Other safety requirements	
Other safety requirements	
F. ACCIDENT REPORTING	
All accidents and injuries must be immediately reported to the Colorado Division of Reclamation, Mining and Safety project manager.	x
The CONTRACTOR shall investigate all such occurrences and develop an	
action plan to prevent their recurrence.	X
All investigations shall be desumented	$\overline{}$
All investigations shall be documented.	X
G. FIRST AID	
First aid kits meeting MSHA (CFR 75.1713-7 or 77.1707) requirements shall be	$\overline{}$
maintained in a sanitary condition and placed at all work sites.	X
H. COMMUNICATIONS	
All work areas shall have a method to communicate with other personnel at all	
· '	x
All communications will be positive in nature. A response is required.	$\exists \dagger$
Provide an equipment spotter equipped with a radio.	$\exists \dagger$
I FOLUDMENT ODERATION	
I. EQUIPMENT OPERATION	
Seatbelts shall be used at all times.	x
Equipment always has the right-of-way.	X
Safe parking procedures (chock blocks, etc.) shall be used at all times.	X
All lights, horns, brakes, wipers, back-up alarms and other safety equipment shall be fully operational at all times.	X

Colorado Division of Reclamation, Mining and Safety

SPECIFIC CONDITIONS SHEAP Page 2

Each piece of equipment shall have at least one portable fire extinguisher.	Х
All mobile equipment, with the exception of pickup trucks with unrestricted rear view, will be equipped with back-up alarms.	Х
Mobile equipment shall be equipped with roll-over-protection (ROPS) and/or falling object protection structures (FOPS) as required by MSHA regulations.	Х
All machinery shall be secured to ensure zero mechanical potential prior to work being performed on the machinery.	Х
Equipment shall be maintained in safe condition.	\boxtimes
Provide a driller's safety platform.	
Inspect hydraulic and pneumatic lines and couplings daily.	\boxtimes
Provide whip checks for all airline connections.	\boxtimes
J. ELECTRICAL SAFETY	
Electrical lock and tag procedures are to be used at all times.	
Prepare a plan for working in the vicinity of overhead electrical transmission lines.	
K. SAFE WORK IN ELEVATED AREAS	
Fall Protection shall be a full body harness and shock-absorbing lanyard.	Х
Wire rope lanyards are required for cutting and welding operations.	Х
All personnel are to be tied off if working where a fall hazard exists.	Х
Ladder work procedures shall include set up, tie off, inspection and protection from overhead electrical hazards. Only non-conductive ladders are to be used.	Х
L. SCAFFOLDS	
Scaffold use requires an approved plan.	Х
M. AERIAL LIFTS	
Personnel must be tied off at all times when working in man baskets.	Х
Provide rigging and signaling procedures for helicopter work.	
N. CRANE REQUIREMENTS	
Inspection and annual certification records must be provided.	Х
Proper Rigging Procedures and inspection of lifting devices shall be standardized.	Х
Tag lines shall be used at all times.	X

Colorado Division of Reclamation, Mining and Safety

SPECIFIC CONDITIONS SHEAP Page 3

Ground persons shall be used at all times.	X
Signals shall be standardized and used at all times.	X
Overhead line clearances shall be checked before working.	Х
). HEALTH CONSIDERATIONS	
Sanitary bathroom facilities shall be provided and maintained.	X
Sanitary potable water facilities shall be provided and maintained.	X
Inhalation hazards shall be minimized at all times through engineering and administrative controls.	X
Dust.	X
Gases.	Х
Vapors.	
Paint.	
Engine exhaust.	
Solvents.	
Oxygen deficiency.	X
Welding fumes.	X
Ventilation and respiratory protection plan.	
Lead and chromate paints are prohibited.	X
Other health hazards specific to this job:	
P. ENVIRONMENTAL: LIQUID WASTES	
Methods approved by Colorado Division of Reclamation, Mining and Safety shall be used to eliminate the possibility of water pollution caused by spills of materials and sedimentation run-off.	
Methods approved by Colorado Division of Reclamation, Mining and Safety shall be used to prevent spill hazards at bulk storage areas for fuels, oils, or other fluids.	X
All used fluids will be drained into clearly marked DOT containers.	×
Under no circumstances will fluids be allowed to drain onto the ground.	Х
Equipment fueling and service procedures will not be performed on topsoil.	X
EPA Prevention and Control Procedures are to be followed in the event of an accidental spill.	Х
All employees shall be trained by the CONTRACTOR in spill prevention, cleanup and disposal of all wastes	

Colorado Division of Reclamation, Mining and Safety

cleanup and disposal of all wastes.

SPECIFIC CONDITIONS SHEAP Page 4

All spills must be reported to Colorado Division of Reclamation, Mining and Safety Personnel Immediately.	Х
Reportable spills will be handled by the CONTRACTOR in accordance with State of Colorado And EPA regulations.	Х

Q. ENVIRONMENTAL: SOLID, NON-HAZARDOUS WASTES

Construction debris and excess materials shall be disposed of in a container clearly marked "TRASH".	Х
Trash containers must be covered at all times to prevent wind-blown litter.	Х
Employees must be instructed by the CONTRACTOR in procedures used to segregate hazardous and non-hazardous wastes.	Х
All disposal activities must comply with federal and state regulations.	Х

R. ENVIRONMENTAL: HAZARDOUS WASTES

Contractor is responsible for all sampling, testing, and analysis of unknown waste streams.	Х
Disposal of hazardous waste is the responsibility of the CONTRACTOR.	Х
Contractor generated wastes such as equipment/machine oils, fuels, oily debris, residue paints, solvents, and containers containing same shall be cleaned and disposed of in compliance with all local, state, and federal regulations.	Х
All containers will have CONTRACTOR 's name clearly marked on the containers.	Х
Aerosol cans, oily rags, solvents and waste lubricants shall be segregated into separate containers.	Х
All drums will be stored in an upright positon, on pallets or similar device to facilitate observation for leaks, corrosion or damage.	Х
All products used on job site must be approved by Colorado Division of Reclamation, Mining and Safety prior to their use and an MSDS kept at the site.	Х

S. FIRE PROTECTION

Specific procedures must be developed by the CONTRACTOR to ensure that fire hazards are addressed and controlled.	Х
Use, storage and segregation of flammable and combustible materials must be in accordance with NFPA regulations.	Х
Contractor will immediately notify Colorado Division of Reclamation, Mining and Safety project manager of any fire emergency.	Х
Provision for fire response must be addressed in plan approved by Colorado Division of Reclamation, Mining and Safety.	Х
Hot Work Procedures will be used to ensure welding, cutting and grinding safety.	Х
These procedures shall include grinding, welding and cutting safety, bottle handling and storage, training for employees expected to perform welding and cutting, fire watch procedures, and personnel protection during these operations.	Х

Colorado Division of Reclamation, Mining and Safety

SPECIFIC CONDITIONS SHEAP Page 5

Compressed gas cylinders must be stored in upright position, secured to prevent falling, regulators guarded on all sides.	Х
Oxygen and Acetylene cylinders not in used must be shut off, pressure bled from hoses, regulators.	Х
Fire extinguishers must provided for all mobile equipment and at all areas where hot work is being performed.	Х
Fire extinguishers must be maintained and inspected in accordance with MSHA/OSHA regulations on/in all mobile equipment.	Х

T. HANTA VIRUS

Demolition of abandoned buildings involves the disruption of mice habitat, which has the potential of harboring the hanta virus. A concentrated chlorine solution (50/50 chlorox/water) is known to be effective in killing the virus. The concentrated spray should be directed at groupings of mice feces and urine areas. The CONTRACTOR is strongly advised to spray down buildings targeted for demolition prior to initiating demolition activities. Precautions against producing dust should be taken in areas where there is a high possibility of liberating hanta virus into the air.

U. WHITE-NOSE SYNDROME (WNS)

Refer to the U.S. Fish and Wildlife Service protocol below for all White-Nose Syndrome (WNS) procedures.

White-Nose Syndrome Decontamination Protocol U.S. Fish and Wildlife Service – Version 01.25.2011

I. GENERAL INFORMATION:

The US Fish and Wildlife Service (USFWS) strongly recommends, first and foremost, compliance with all cave¹ closures, advisories, and regulations on all Federal, State, Tribal, and private lands. However, where such closures are not required or recommended, the following protocol outlines the best known procedures to help reduce the transmission of the fungus *Geomyces destructans (G.d.)*, believed to be the cause of white-nose syndrome (WNS), to important bat habitat and populations. WNS is responsible for significant bat mortality in eastern North America, and threatens bat populations across the continent.

If not properly trained and/or permitted by the appropriate government agency; then please do not handle bats. If you observe live or dead bats (multiple individuals in a single location) that may exhibit signs of WNS, contact a wildlife professional in your state wildlife agency (http://www.fws.gov/offices/statelinks.html) or contact your nearest USFWS Ecological Services Field Office (http://www.fws.gov/offices/). Researchers, contact your state or federal agency for permitting requirements.

II. RECOMMENDED DECONTAMINATION PRODUCTS:

All necessary and appropriate precautionary use, storage, and disposal information should be apparent on each of the product labels. It is critical that all researchers and biologists read and follow all label instructions provided on the products mentioned in this protocol. It would be a violation of federal law to use, store, or dispose of a regulated product in any manner not prescribed on the approved label/MSDS.

Colorado Division of Reclamation, Mining and Safety

SPECIFIC CONDITIONS SHEAP

As of 12/19/11

Page 6

The following chemical (a minimum of 0.3% quaternary ammonium compound, unless otherwise denoted) and natural products were tested in the laboratory and determined effective for killing the conidia of *Geomyces* spp.:

- **1.** Lysol® IC Quaternary Disinfectant Cleaner (A product effective at 1:128 dilution, or 1 ounce of concentrate per gallon of water.) ²
- **2.** Professional Lysol® Antibacterial All-purpose Cleaner (A product effective at 1:128 dilution, or 1 ounce of concentrate per gallon of water.) ²
- **3.** Formula 409® Antibacterial All-Purpose Cleaner (Off-the-shelf concentrations as specified by label) ²
- **4.** A 10% solution of household bleach (A product effective at 1 part bleach to 9 parts water) ²
- 5. Lysol® Disinfecting Wipes (0.28 % di-methyl benzyl ammonium chloride) ^{2 & 3}
- **6.** Boiling in water for 15 minutes ²

III. DECONTAMINATION PROCEDURES:

BEFORE EACH CAVE VISIT: In order to effectively reduce the risk for human transfer of *G.d.*, it is imperative that everyone follow these decontamination procedures any time you plan cave visits. Under no circumstances should clothing, footwear or gear that was used in a WNS-affected state or region. Clothing or gear that has been or is suspected of being exposed to *G.d.* may be reused in other WNS affected caves; however, the WNS decontamination procedures provided in this document should always be followed for items used in affected caves prior to entering another affected cave or leaving the affected state or region. Used gear that must be transported out of affected states or regions should be decontaminated, contained, and sealed prior to leaving the affected area and should not be stored or transported in close proximity with unexposed equipment. If gear cannot be decontaminated, either for safety reasons or fear that equipment may be damaged, it should not enter subsequent caves but rather be designated for use in that one specific cave. Gear should not be used in multiple caves in the same day unless the decontamination procedures below can be performed between each cave visit or the maximum distance between visited caves is less than 10 miles (see supplements for explanation).

AFTER EACH CAVE VISIT: Thoroughly scrape or brush off any dirt and mud from clothing, boots, and gear. Then place all in a sealed plastic bag or plastic container (with lid) to be cleaned and disinfected off-site. At a minimum, outer clothing should be removed prior to entering a vehicle after/between a cave visit. A clean change of clothing is recommended. **Care should be exercised at all times to prevent contamination of clean clothing, equipment, and/or vehicles.** To decontaminate clothing, footwear and gear, please follow all relevant procedures listed below.

A. Submersible Gear (i.e. clothing and equipment that can be submerged without damage): Wash all clothing and any appropriate equipment in washing machine or by hand using conventional detergents in cold, warm, or hot water. Woolite® fabric wash has been found to be highly effective for this procedure. Rinse thoroughly, and then follow by soaking for a minimum of 10 minutes in one of the decontaminating products in Section II, then rinse and air dry. Please notice when boiling water is selected as the decontamination method, all gear must be submersed for 15 minutes, then followed by air drying.

Colorado Division of Reclamation, Mining and Safety

SPECIFIC CONDITIONS SHEAP Page 7

As of 12/19/11

1. Footwear:

When safety permits, rubber (wellington-type) caving boots (which withstand harsh decontaminating products and are easily cleaned) are recommended. Boots need to be fully scrubbed and rinsed to remove all soil and organic material. Decontaminate rubber and leather boots, (including soles and leather uppers) with a product listed in Section II for a minimum of 10 minutes, then rinse and air dry.

2. Ropes and Harnesses:

To date, only Sterling rope and webbing have proved to sustain no damage when using the following procedure. Wash rope/webbing in a front loading washing machine on the gentle cycle using Woolite® Extra Delicates detergent. Immerse in a dilution of Lysol IC Quaternary Disinfectant Cleaner for 15 minutes. Rinse twice in clean water and air dry. Brands of rope/webbing other than Sterling have not yet been tested for integrity after decontamination. Brands not tested should be dedicated to a single cave or not used at all.

B. Non-submersible Gear (i.e. equipment that will be damaged by submersion): Clean thoroughly with soap (i.e. Dawn® antibacterial dish soap) and water, where appropriate, and then decontaminate all equipment by applying one of the recommended chemical products (understanding certain products are tougher on surfaces than others) in Section II to the outside surface for a minimum of 10 minutes, then rinse and air dry.

1. Cameras and Electronic Equipment:

If possible, do not bring electronic equipment into a cave. If practical, cameras and other similar equipment that must be used in a cave may be placed in plastic casing (i.e. underwater camera housing) or wrapped in plastic wrap where only the lens is left unwrapped to allow for photos to be taken. The plastic casing should be decontaminated using one of the appropriate products in Section II. The plastic wrap should be discarded after use and followed up by decontaminating the camera surface with Lysol ® Disinfecting Wipes, realizing this could damage the body of the camera.

2. Vehicles:

In addition to gear, vehicles used to transport equipment can also harbor spores. Keep vehicles as clean as possible by taking extra precautions (e.g. storing gear in clean containers, bringing a change of clothes, conducting all work outside of the vehicle once in the cave) and decontaminating storage containers along with all other clothing, gear, and misc. equipment using the appropriate decontamination products in Section II.

Colorado Division of Reclamation, Mining and Safety

SPECIFIC CONDITIONS
SHEAP
Page 8

1779419

Costs for these measures will not be itemized and must be included within the bid schedule items.

The CONTRACTOR should provide a signature block similar to the one below that each employee can sign to verify that they have read and understand the safety aspects of the project, and accept the provisions of the SHEAP.

The above information was reviewed, received, and understood.

Contractor Representative:

Signature

·	
Signature	Date
Employee:	

Colorado Division of Reclamation, Mining and Safety

SPECIFIC CONDITIONS
SHEAP
Page 9

Date

As of 12/19/11

¹ The use of the word "cave" in this document includes natural caves, man-made mines, or any other site that may harbor G.d. spores.
2 Use of some products which contain quaternary ammonia, isopropanol, and other potentially harmful chemicals or boiling water in confined spaces needs to be approached carefully due to inhalation or contact risks of the product. Since products/proceduresmay also cause damage to clothing, gear, and sensitive electronic equipment, all users should be aware of these risks prior to entering cave environments. Use of personal protective equipment to reduce contact with the product is strongly encouraged, particularly if extended contact is anticipated or as recommended by the manufacturer. Always read and follow the MSDS information and all safety/use criteria for every product used.

³ The active ingredient is considered to be at the effective concentrations known to kill the conidia of *Geomyces spp.*; however, the efficacy of field application remains to be demonstrated. Any equipment decontaminated with this product should be used with extra precaution until laboratory results are finalized.

GENERAL CONDITIONS OF THE CONTRACT

DEFINITIONS

A. Contract Documents. The Contract Documents consist of:

- (a) Agreement and Bid Schedule;
- (b) Performance and Payment Bonds;
- (c) Liability, Automobile and Workmen's Compensation Certificates of Insurance;
- (e) Notice to Proceed;
- (f) General Conditions of the Contract:
- (g) Detailed Special Conditions, including all amendments issued prior to the opening of the bids and including any applicable Standard Work Specifications;
- (h) Maps and drawings, including all amendments issued prior to the opening of the bids;
- (i) Final inspection and certificate of completion;
- (j) Notice of CONTRACTORS Settlement, and
- (k) List of Equipment Offered.

B. Procedural Documents. The Procedural Documents consist of:

- (a) Advertisement for Bids;
- (b) Bid form;
- (c) Bid Bond:
- (d) Notice of Award:
- (e) MBE/WBE Forms; and
- (f) AML Contractor Ownership and Control Information Package (AVS);
- (g) Three-Way Agreement for Reclamation Activities, if required

C. Correlation and Intent of the Documents

The Contract Documents are complementary; what is called for by any one document shall be as binding as if called for by all. The intention of the documents is to include all labor and materials, equipment and transportation necessary for the proper execution of the work. Materials or work described in words which have a well-known technical or trade meaning shall be held to refer to such recognized standards.

In case of a difference between the contract documents, precedence shall be given in the following respective order: Agreement, Special Conditions, Bid Schedule, Standard Work Specifications, Maps, Drawings, and General Conditions. Amendments shall take precedence in the area of the bid document which they modify or clarify. In the case of any such difference, the matter shall be promptly brought to the attention of the Principal Representative who will make a determination in writing.

D. Words and Terms Used

AGREEMENT - The word *Agreement* means the written Agreement entered into by the State of Colorado acting by and through the Principal Representative and the CONTRACTOR for the performance of the work and payment for the work.

COLORADO LABOR - The term *Colorado Labor* shall be defined as provided in Title 8-17-101, et seq. CRS 1973, as amended.

CONTRACTOR - The term *CONTRACTOR* means the sole proprietorship, partnership, or corporation entering into a Contract with the State of Colorado.

Colorado Division of Reclamation, Mining and Safety
Page 1 of 22 Pages

DRAWINGS - The word *Drawings* shall mean all drawings in the Special Conditions.

PRINCIPAL REPRESENTATIVE OR STATE - The term Principal Representative means the Director of the State of Colorado, Division of Reclamation, Mining and Safety (DRMS) or his designee. The Colorado Division of Reclamation, Mining and Safety is located at 1313 Sherman Street, Room 215, Denver, Colorado, 80203, telephone (303) 866-3567.

PROJECT MANAGER - The term *Project Manager* means the Division of Reclamation, Mining and Safety employee or representative responsible for day to day observation of work at the project site, and general contract administration for the DRMS.

SUBCONTRACTOR - A *Subcontractor* is a sole proprietorship, partnership or corporation which has a contract with the CONTRACTOR for the performance of labor at the site of the work regardless of whether supplying of material is part of such contract, but without contractual relationship to the Principal Representative.

WORK - The word *Work* means material and/or labor.

PERFORMANCE AND PAYMENT BONDS

The CONTRACTOR shall furnish a labor and material payment bond for 100 percent of the original contract price and a performance bond for 100 percent of the original amount of the contract. The bonds are required by State Law, Title 24-105, 202-203, C.R.S. as amended. The bonds shall be submitted using the State forms. A certified or cashiers check or bank money order may be accepted in lieu of the bonds. If a surety other than a bond is used, the State will hold fifty percent (50%) of the surety until the final settlement date and fifty percent (50%) for six (6) months after the final settlement date.

Article 3. INSURANCE

- A. The contractor shall obtain at his own expense, and maintain at all times during the term of this contract, insurance listed below. Proof of insurance must be submitted on certificates showing the following minimum coverage:
 - 1) Worker's Compensation Insurance as required by state statute, and Employer's Liability Insurance covering all of contractor's employees acting within the course and scope of their employment.
 - 2) Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:
 - a. \$1,000,000 each occurrence;
 - b. \$1,000,000 general aggregate;
 - c. \$1,000.00 products and completed operations aggregate; and
 - d. \$50,000.00 any one fire.

If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, the contractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to the State a certificate or other document satisfactory to the State showing compliance with this provision.

Colorado Division of Reclamation, Mining and Safety
Page 2 of 22 Pages

3) Automobile Liability Insurance covering any auto (including owned, hire and non-owned autos) with a minimum limit as follows: \$1,000,000 each accident combined single limit.

The Certificates of Insurance and insurance policies required above shall be subject to the following stipulations:

- B. The State of Colorado shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction contracts will require the additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037 or equivalent). Coverage required of the contract will be primary over any insurance or self-insurance program carried by the State of Colorado.
- C. The Insurance shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the State by certified mail.
- D. The contractor will require all insurance policies in any way related to the contract and secured and maintained by the contractor to include clauses stating that each carrier will waive all rights of recovery, under subrogation or otherwise, against the State of Colorado, its agencies, institutions, organizations, officers, agents, employees and volunteers.
- E. All policies evidencing the insurance coverages required hereunder shall be issued by insurance companies satisfactory to the State.
- F. The contractor shall provide certificates showing insurance coverage required by this contract to the State within ten days of the notice of award. No later than 15 days prior to the expiration date of any such coverage, the contractor shall deliver the State certificates of insurance evidencing renewals thereof. At any time during the term of this contract, the State may request in writing, and the contractor shall thereupon within 10 days supply to the State, evidence satisfactory to the State of compliance with the provisions of this section.

Bidders are advised to consult with their insurance carrier concerning these requirements. Submit a bid only if you are prepared to complete these requirements.

Article 4. THREE-WAY AGREEMENT

If a three-way *Agreement for Reclamation Activities*) is required, the CONTRACTOR shall enter into a three-way agreement between the CONTRACTOR, the State of Colorado and the private landowner, and maintain for the duration of the work, in addition to that specified above, additional insurance coverage of:

- a. Comprehensive General Liability Insurance, which includes operations & premises coverage, products/completed operation coverage, all on an occurrence basis, all with combined single limit of liability of \$1,000,000;
- b. Statutory Worker's Compensation and Occupational Disease Disability Insurance;
- c. Employers' Liability Insurance with limits of \$500,000 each occurrence; and
- d. Automobile Insurance with a combined single limit of liability of \$1,000,000, and furnish evidence of the insurance coverage as prescribed the three-way agreement.

If a three-way *Agreement for Reclamation Activities* is required, the CONTRACTOR will be required to furnish lien waivers to the private landowner. See Number 5 of the sample three-way *Agreement for Reclamation Activities*. The landowner's address will be furnished to the CONTRACTOR with the Notice to Proceed.

Colorado Division of Reclamation, Mining and Safety Page 3 of 22 Pages

Article 5. PROJECT SCHEDULE

The successful bidder shall, prior to the execution of an Agreement, furnish a plan for construction of the work showing (1) the date(s) he expects to move various pieces of equipment onto the work site, and (2) the dates and period(s) he proposes to perform each phase of the project work.

Article 6. APPLICANT VIOLATOR SYSTEM

The successful bidder will be required to submit a completed *AML Contractor Ownership and Control Form* and pass a check of the *Applicant Violator System (AVS)*.

Although there are many circumstances under which a bidder might be found "not responsible", any CONTRACTOR who has had direct or indirect association with a firm that has had a permit revoked or a bond forfeited by the Division of Reclamation, Mining and Safety or the Mined Land Reclamation Board will be considered not responsible, and not eligible to be awarded any bid. Any firm listed in the federal Office of Surface Mining's *Applicant Violator System* or who is not confirmed by the Office of Surface Mining will be considered not responsible.

Article 7. MINORITY/WOMEN BUSINESS PARTICIPATION

The successful bidder is required to complete and return the Minority/Women Business Enterprise Participation Report Form before an Agreement will be executed.

Article 8. NOTICE TO PROCEED

After the Agreement has been fully-executed, the Principal Representative will issue the Notice to Proceed consistent with the project dates in the Special Conditions. Under no circumstance shall the CONTRACTOR begin work before a Notice to Proceed is issued.

Article 9. ACCIDENT PREVENTION AND SAFETY MEASURES

The CONTRACTOR shall comply with applicable provisions of OSHA Part 1926, Construction Standards and Interpretations, in effect on the date of Bid Opening. The CONTRACTOR shall continuously maintain, at his expense, adequate protection of the work and the Principal Representative's property, and shall take all practicable precautions in the interest of safety, including: Safety Glasses (when flying debris may be encountered), steel toe boots and hard hats (except when inside operator's cab or inside vehicle cab) are required to be worn at all times. At least two 10 pound A B C rated Dry Chemical type-portable fire extinguishers shall be on site at all times. A First Aid Station meeting MSHA requirements (CFR 75.1713-7, or 77.1707) must be kept in a sanitary condition and must be kept on site during all work operations. An emergency accident and medical evacuation/transportation plan shall be established and posted for the site.

If required by the PROJECT MANAGER, the CONTRACTOR shall prepare a Safety, Health, and Environmental Action Plan (SHEAP) for the project operations prior to beginning work.

If a SHEAP is required, the CONTRACTOR will comply with the following at a minimum:

- TRAINING REQUIREMENTS: Prior to working on the site, site-specific hazard training as
 covered in the SHEAP will be administered to ALL persons working on the project site (both
 surface and underground), by the CONTRACTOR AND DRMS PROJECT MANAGER, and
 will be acknowledged on a form attached to the SHEAP to document this training.
- PROACTIVE SAFETY: The CONTRACTOR shall designate one person to be responsible for safety and health at the work site. The CONTRACTOR will conduct daily pre-work

Colorado Division of Reclamation, Mining and Safety
Page 4 of 22 Pages

safety talks with all employees. The CONTRACTOR shall conduct daily work area safety inspections and document the results of these inspections.

Any shafts which were fenced prior to construction activities shall be protected by a temporary fence during non-working hours. Without relieving the CONTRACTOR of its legal or contractual duties to take safety precautions, other openings may be designated by the Principal Representative as requiring fencing due to proximity of houses or visitation by tourists.

Work may involve activities around unprotected hazardous mine shafts, stopes, adits and other openings which may be open to the surface or hidden from view by trash, debris, vegetation, or thin and unstable layers of surficial materials or rock. The CONTRACTOR shall be responsible for thoroughly investigating the site conditions and scheduling and directing his equipment, equipment operations, personnel and safety procedures to prevent accidents and injuries. Failure to comply will be cause for immediate suspension of the work.

All Chemicals, equipment and materials proposed and/or used in the performance of this Contract must conform to the standards required by the William-Stieger Occupational Safety and Health Act of 1970. Bidders must furnish all Material Safety Data Sheets (MSDS) for any regulated chemicals, equipment or hazardous materials at the time of delivery to the job site.

Projects involving work in or around radiological hazards will require special measures to be followed during the project.

Article 10. PLANS AND WORKING DRAWINGS

The drawings if any, included with the Contract Documents are complete and adequate for construction. While every effort has been made to have the plans and drawings free of errors and ambiguities, any such errors or ambiguities must be brought to the Principal Representative's attention immediately.

Article 11. JOB PROGRESS REPORTS

The CONTRACTOR will be required to properly complete weekly or daily progress reports, forms for which will be provided by the Principal Representative. Completed reports must be submitted to the Principal Representative prior to or at the time of requests for payment. Payment requests will not be processed until progress reports corresponding to the payment period are received.

Article 12. CORRESPONDENCE FROM THE CONTRACTOR

All correspondence from the CONTRACTOR to the Principal Representative shall be submitted to the PROJECT MANAGER with a copy to:

Colorado Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, Colorado 80203 (303) 866-3567

Fax (303) 832-8106

Article 13. MATERIALS

Unless otherwise stipulated, the CONTRACTOR shall provide and pay for all materials, labor, water, tools, equipment, light, power, transportation and other facilities necessary for the execution and completion of the work.

Colorado Division of Reclamation, Mining and Safety Page 5 of 22 Pages

Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of good and uniform quality. The CONTRACTOR shall, if required, furnish satisfactory evidence as to the kind and quality of materials.

Article 14. PREFERENCE OF BIDDERS AND MATERIALS

The selection of materials and equipment for the work shall be in accordance with the laws of Colorado and the Buy American Act (41 U.S.C. 10) as follows:

A resident bidder shall be allowed a preference against a nonresident bidder from a state or foreign country equal to the preference given or required by the state or foreign country in which the nonresident bidder is a resident. (Title 8-19-101 to 102, CRS, as amended).

The Buy American Act provides that the Government give preference to domestic construction material. The CONTRACTOR agrees that only domestic construction material will be used by the CONTRACTOR, subs, material men and suppliers in the performance of this agreement, except for foreign construction material, if any, listed in this agreement.

Components, used in this clause, means those articles, materials, and supplies incorporated directly into construction materials. Construction material, as used in this clause, means an article, material or supply brought to the construction site for incorporation into the building or work. Construction material also includes an item brought to the site pre-assembled from articles, materials or supplies. However, emergency life safety systems, such as fire alarm systems, which are discrete systems incorporated into a public building or work and which are produced as a complete system, shall be evaluated as a single and distinct construction material regardless of when or how the individual parts or component of such systems are delivered to the construction site. Domestic construction material, as used in this clause means (a) an unmanufactured construction material mined or produced in the United States, or (b) a construction material manufactured in the United States, if the cost of its components mined produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as the construction materials determined by the Principal Representative or designee not to be mined, produced or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality. shall be treated as domestic.

Article 15. LABOR AND WAGES

Title 8-17-101, C.R.S., as amended applies to this contract and states that eighty percent of the laborers employed on each project must be Colorado labor. "Colorado labor" means any person who is a resident of the State of Colorado at the time of employment, without discrimination as to race, color, creed, sex, age or religion."

The Davis Bacon Act Does Not Apply. The rate of wages to be paid for all laborers and mechanics shall be in accordance with the laws of Colorado. The CONTRACTOR shall at all times enforce strict discipline and good order among his employees, and shall not employ on the work any unfit person or anyone not skilled in the work assigned to him.

Article 16. PROJECT MANAGER'S DECISIONS

The PROJECT MANAGER shall make decisions on all matters relating to the execution and progress of the work or the interpretation of the Contract Documents.

The PROEJCT MANAGER is, in the first instance, the judge of the performance of the Contract as it relates to compliance with drawings and specifications, quality of workmanship and material.

Colorado Division of Reclamation, Mining and Safety
Page 6 of 22 Pages

Article 17. WORK ACCESS AND INSPECTION

The Principal Representative shall at all times have access to the work. The CONTRACTOR shall provide proper facilities for such access and for their inspection of the work. If any work should be covered up without approval or consent of the Principal Representative, it must if required, be uncovered for examination at the CONTRACTOR'S expense.

If the Special Conditions, the Principal Representative's instructions, laws, ordinances or any public authority require any work to be specifically tested or approved, the CONTRACTOR shall give the Principal Representative timely notice of its readiness for observation by the Principal Representative or inspection by another authority. If the inspection is by another authority, the CONTRACTOR shall give the Principal Representative timely notice of the date of inspection and copies of certificates of inspection being secured by the CONTRACTOR.

Article 18. PRIME CONTRACTOR

If several CONTRACTORS propose to join together to perform the work, the Principal Representative will recognize only one bonded prime CONTRACTOR, who will enter into a contract with the Principal Representative, and who will subcontract the work to such others as are required to perform the work, unless a "joint venture" arrangement between CONTRACTORS satisfactory to the Principal Representative has been executed. In this case, the "joint venture" shall be bonded in accordance with these General Conditions and shall designate a Superintendent with whom the Principal Representative can communicate and who will supervise the work and be fully responsible for the performance of the work.

Article 19. SUPERINTENDENCE OF THE WORK

The CONTRACTOR shall keep a competent and reliable superintendent on the job at all times that labor is being performed. The superintendent, in the CONTRACTOR'S absence from the site, shall stand in the stead of the CONTRACTOR and any authoritative directions given to the superintendent shall be as binding as if given to the CONTRACTOR.

The CONTRACTOR shall give efficient supervision to the work, using his best skill and attention. He shall carefully study and compare all Drawings, Specifications and other instructions and shall at once report to the Principal Representative any error, inconsistency or omission which he may discover, but he shall not be liable to the Principal Representative for any damage resulting from any errors or deficiencies in the Contract Documents or other instructions by the Principal Representative.

The CONTRACTOR shall see that the work is carried out in accordance with the Contract Documents and in a thorough and first-class manner in every respect. The CONTRACTOR shall establish all lines, levels, grades, and marks necessary to facilitate the operations of all concerned in such CONTRACTOR'S work. He shall lay out the work in a manner satisfactory to the Principal Representative.

Article 20. SUBCONTRACTORS

The CONTRACTOR shall submit to the Principal Representative, a complete list of subcontractors for the project, including the name of the proposed subcontractor and a description of the work to be subcontracted. The CONTRACTOR shall not, without prior written approval of the Principal Representative, enter into any subcontract covering any part of the work covered by this contract.

If at any time the Principal Representative determines that any subcontractor is incompetent or undesirable, he shall notify the CONTRACTOR accordingly in writing and the CONTRACTOR shall take immediate steps for cancellation of the subcontract.

Colorado Division of Reclamation, Mining and Safety Page 7 of 22 Pages

Article 21. RELATIONS OF CONTRACTOR AND SUBCONTRACTOR

The CONTRACTOR agrees to bind each subcontractor to the terms of these General Conditions and to the requirements of the drawings and specifications, and any amendments or change orders, and also all the other Contract Documents, so far as applicable to the work of such subcontractor, unless specially noted to the contrary.

Nothing contained in the contract shall create any contractual relationship between any subcontractor and the Principal Representative. Approval by the Principal Representative to any subcontract or any provisions thereof shall not be construed to be a determination of the acceptability of any subcontract price, or of any amount paid under subcontract or to relieve the CONTRACTOR of any responsibility for performing all work covered by this contract.

The CONTRACTOR shall be fully responsible to the Principal Representative for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by them. All instructions or orders in respect to work being done by subcontractors shall be given to the CONTRACTOR.

Subcontracting by subcontractors shall be subject to the above requirements.

Article 22. WORK BY OTHERS

The Principal Representative reserves the right to let other contracts in connection with this work.

The work site is located in a mining area and mining or other construction activities may be occurring at the same time as the work proposed under this contract. It shall be the CONTRACTOR'S responsibility to coordinate his work with those of the landowners, mining companies or other contractors on the site. The CONTRACTOR shall allow other contractors or mining company's reasonable opportunity for the introduction and storage of their materials and the execution of their work, and shall properly connect and coordinate his work with theirs.

The CONTRACTOR shall, without charge, permit the landowner, mining companies, and such other contractors to use the roads and other facilities constructed or improved by the CONTRACTOR for the contract work; provided that such usage shall in no way interfere with the contract work of the CONTRACTOR. If any part of the CONTRACTOR'S work depends, for proper execution or results, upon the work of any other contractor, the CONTRACTOR shall inspect and measure work already in place. The CONTRACTOR shall promptly report to the Principal Representative any defects in such work that render it unsuitable for proper execution and results, or any discrepancy between the executed work and the Special Conditions or Drawings. Failure of the CONTRACTOR to so inspect and report shall constitute an acceptance of the other CONTRACTOR'S work as fit and proper for the reception of his work, except as to defects which may develop in the other CONTRACTOR'S work after the execution of the CONTRACTOR'S work.

Article 23. MUTUAL RESPONSIBILITY OF CONTRACTORS

Should the CONTRACTOR cause damage to any separate CONTRACTOR on the work, the CONTRACTOR agrees, upon due notice, to settle with such CONTRACTOR by agreement if he concurs. If such separate CONTRACTOR sues the Principal Representative on account of any damage alleged to have been so sustained, the Principal Representative shall notify the CONTRACTOR, who shall defend such proceedings. If any judgment against the Principal Representative arises therefore, the CONTRACTOR shall pay or satisfy it and pay all costs incurred by the Principal Representative.

Colorado Division of Reclamation, Mining and Safety Page 8 of 22 Pages

Article 24. ACCESS AND WORKING AREA

Access to the sites or to the vicinity of sites is by public roads and private roads as shown on the drawings or as may be located in the field. Some sites may not have adequate access roads for CONTRACTOR'S methods or equipment and construction or improvement of existing roads may be required. Access roads used or constructed by the CONTRACTOR shall be maintained during use and the land reclaimed or restored to pre-existing or better conditions.

The CONTRACTOR shall keep access roads, equipment, the storage of materials and the operation of his workmen to the immediate vicinity of the work sites and shall not unreasonably encumber the premises with his materials and equipment. Caution shall be exercised at all times to avoid blocking roads or in any other way interfering with operations by others or presenting a hazard to personnel, equipment, or to the public.

The CONTRACTOR shall obtain all permits and/or permission required to use public and private roads. The CONTRACTOR shall obey all laws and regulations affecting the use of public thoroughfares.

The CONTRACTOR shall provide such temporary barricades, fences, or warning signs as may be necessary to make temporary or permanent roads safe by night as well as by day. He shall at all times have a sufficient number of watchmen, flagmen, and warning lights to protect traffic where it is interfered with by his operations, where his trucks enter or leave public roads, or where work is being done adjacent to such roads.

Article 25. PROTECTION OF WORK AND PROPERTY

The CONTRACTOR shall continuously maintain adequate protection of all his work and materials protect the property from injury or loss arising in connection with the Contract and adequately protect adjacent property as provided by law and the Contract Documents.

The CONTRACTOR shall make good any damage, injury or loss, except such as may be:

- (a) Directly due to errors in the Contract Documents;
- (b) Caused by agents or employees of the Principal Representative;
- (c) Due to causes beyond the CONTRACTOR'S control and not to his fault or negligence.

The CONTRACTOR shall take all necessary precautions for the safety of employees on the work site, and shall comply with all applicable provisions of Federal, State and Municipal safety laws and building codes to prevent accidents or injury to persons on, about or adjacent to the premises where the work is being performed. He shall erect and properly maintain at all times, as required by the conditions and progress of the work, all necessary safeguards for the protection of workmen and the public and shall post danger signs warning against the hazards created by such features of construction.

The CONTRACTOR shall take due precautions when obstructing sidewalks, streets or other public ways in any manner, and shall provide, erect and maintain barricades, temporary walkways, roadways, trench covers, colored lights or danger signals and any other devices necessary to assure the safe passage of pedestrians and automobiles.

In an emergency affecting the safety of life or posing a threat to adjoining property, the CONTRACTOR, without special instruction or authorization from the PROJECT MANAGER or Principal Representative, is hereby permitted to act, at his discretion, to prevent such threatened loss or injury; and he shall so act, without appeal, if so authorized or instructed. The Principal Representative must be notified as soon as possible in the event of any emergency. Any

Colorado Division of Reclamation, Mining and Safety Page 9 of 22 Pages

compensation, claimed by the CONTRACTOR on account of emergency work, shall be determined by agreement for extra compensation.

Article 26. HISTORICAL PRESERVATION

Areas adjacent to the mine sites often contain related artifacts and structures, such as buildings, tipples, ore houses, headframes and foundations that may be historically significant. Care shall be exercised to avoid any effect to these structures and artifacts, in order to preserve their integrity. Existing structures, except shaft timbering, shall not be used as load-bearing devices.

Article 27. ELECTRICAL POWER, POTABLE AND CONSTRUCTION WATER

The CONTRACTOR shall be responsible for providing electrical power and potable and construction water as needed to perform the contract work. If the CONTRACTOR desires to use power other than portable generators, the CONTRACTOR plans for providing such power will be subject to the Principal Representative's prior approval. The cost for providing power and water will not be paid for separately but shall be included in the bid prices of the various work items. The CONTRACTOR shall install and maintain all utilities in such manner as to protect the public and workmen and conform to any applicable laws and regulations. Upon completion of the work he shall remove all such temporary utilities from the site.

Article 28. PROTECTION OF EXISTING UTILITIES

Utilities, both underground and aboveground, may exist which could affect construction work covered under this contract. The CONTRACTOR is responsible for determining the nature and locations of any and all utilities which could affect construction work covered under this contract. The horizontal and vertical locations of utilities may vary. The CONTRACTOR is responsible for excavation and equipment movement without damage to utilities. The CONTRACTOR assumes all responsibility for damages to any utilities he causes under this contract.

When construction crosses highways, railroads, streets or utilities under the jurisdiction of State, County, City or other Public agency, Public Utility or private entity, the CONTRACTOR shall secure proper written permission before executing such construction. The CONTRACTOR will be required to furnish a proper release before final acceptance of the work.

Article 29. PERMITS, LICENSES AND REGULATIONS

Permits and licenses at a Federal, State, County and/or local level, required for prosecution of the work shall be procured and paid for by the CONTRACTOR.

Article 30. TAXES

State of Colorado as purchaser is exempt from all Federal taxes under Chapter 32 of the Internal Revenue Code (Registration No. 84-730123K) and from all State and Local Government Use Taxes (Ref. Colorado Revised Statutes Chapter 39-26.114(a)). (Our Colorado State and Local Sales Tax Exemption Number is

98-022381). The Contractor is hereby notified that when materials are purchased in certain political subdivisions (for example- the City of Denver), the Contractor may be required to pay sales tax even though the ultimate product or service is provided to the State of Colorado. This sales tax will not be reimbursed by the State.

Colorado Division of Reclamation, Mining and Safety Page 10 of 22 Pages

Article 31. ROYALTIES AND PATENTS

The CONTRACTOR shall pay all royalties and license fees. He shall defend all suits or claims for infringement of any patent rights and shall save the State of Colorado harmless from loss on account thereof.

Article 32. PROJECT PUBLICITY

The Principal Representative will be sole provider of information about the project work to area residents and special districts, county, state, and federal agencies, and individuals from the media. Any contact with these groups by the CONTRACTOR must be cleared through the Principal Representative.

Article 33. TIME OF COMPLETION

It is hereby understood and mutually agreed, by and between the parties hereto, that the date of beginning, rate of progress and the time for completion of the work to be done hereunder are *Essential Conditions* of the Contract; and it is further understood and agreed that the work embraced in this Contract shall be commenced in the time to be specified in the Notice to Proceed.

It is further agreed that time is of the essence of each and every portion of the Contract and of the specifications wherein a definite and certain length of time is fixed for the performance of any act whatsoever; and where under the Contract an additional time is allowed for the completion of any work, the new time limit fixed by such extension shall also be of the essence of the Contract.

The CONTRACTOR agrees that work will be performed with due diligence in accordance with accepted engineering and construction practices to the end that the entire contract work shall be completed within the time specified in the Special Conditions after receipt of the Notice to Proceed. It is expressly understood and agreed, by and between the parties, that the stipulated performance time for completion of the work described is a reasonable time for completion of the work, taking into consideration all factors, including average climatic conditions and usual construction practices prevailing in the area.

Article 34. TEMPORARY SUSPENSION OF WORK

If the CONTRACTOR is responsible for a delay in progress of the work, the CONTRACTOR shall, without additional cost, work overtime and use such additional equipment and manpower as may be necessary to complete the contract work by the stipulated date. Failure to comply will be grounds for termination of this Agreement as stipulated below or assessment of liquidated damages as stipulated under TEMPORARY SUSPENSION OF WORK.

The State, acting by and through the Principal Representative, shall have the authority to suspend the work, either wholly or in part, for such period or periods as he or they may deem necessary due to:

- (a) Unsuitable weather;
- (b) Faulty workmanship;
- (c) Improper superintendence
- (d) CONTRACTOR failure to carry out orders or to perform any provision of the Contract Documents:
- (e) Conditions which may be considered unfavorable for the prosecution of the work.

Additional time will be added to the performance time for the contract for (a) above only.

Colorado Division of Reclamation, Mining and Safety
Page 11 of 22 Pages

If it should become necessary to stop work for an indefinite period, the CONTRACTOR shall store all materials in such manner that they will not become an obstruction or become damaged in any way; and he shall take every precaution to prevent damage to or deterioration of the work, provide suitable drainage and erect temporary structures where necessary.

Such Suspend Work Order shall be in writing and the CONTRACTOR shall again proceed with the work when so notified in writing.

Article 35. ESTIMATED QUANTITIES

The CONTRACTOR understands and agrees that:

- (a) The quantities and measurements set forth in the Special Conditions are in no case exact and in some instances the exact quantities and measurements are impossible to determine until after conditions have become known during construction;
- (b) The quantities shown in the Special Conditions are for use as a basis for comparing bids only;
- (c) The Principal Representative does not expressly, or by implication, agree that the actual amount of work performed or material furnished or installed will correspond therewith;
- (d) During the progress of the work the Principal Representative may find it advisable and shall have the right to make changes in locations of portions of the work, to omit portions of the work and to increase or decrease the quantities, as may be deemed necessary or desirable;
- (e) Under no circumstances or conditions will the CONTRACTOR be paid anything on account of anticipated profits upon the work or any portion thereof covered by the Contract which is not actually performed;
- (f) Under no circumstances or conditions will the CONTRACTOR be paid more than the unit price bid for any item of the Bid because the actual quantity is greater or less than the quantity shown in the Bid or Bid Schedule, and
- (g) Measurements of any openings have been made in sufficient detail to establish general shapes and dimensions. The locations and dimensions of vertical and horizontal openings and depths of materials shown on the documents as waste material, soil and unconsolidated material and rock material are approximate measurements only and shall be verified by excavation.

Article 36. DIFFERING SITE CONDITIONS

- (a) The CONTRACTOR shall promptly, and before such conditions are disturbed, notify the Principal Representative of:
 - (1) Subsurface or latent physical conditions at the site differing materially from those indicated in the Contract, or
 - (2) Unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Contract.

The Principal Representative shall promptly investigate the conditions, and if he finds that such conditions do materially so differ and cause an increase or decrease in the

Colorado Division of Reclamation, Mining and Safety
Page 12 of 22 Pages

- CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, whether or not changed as a result or such conditions, an equitable adjustment shall be made and the Contract modified in writing accordingly.
- (b) No claim of the CONTRACTOR under this clause shall be allowed unless the CONTRACTOR has given the notice required in (a) above; provided, however, the time prescribed therefore may be extended by the State.

Article 37. CHANGES IN THE WORK

The Principal Representative, without invalidating the Contract, may order extra work, or make any other reasonably related changes by altering adding to or deducting from the work; the contract price and time for completion of the work will be adjusted accordingly by written change order.

All such work shall be executed under the conditions of the original contract except that any claim for extension of time caused by changes authorized in the change order shall be included in the written change order.

The Principal Representative shall have authority to make minor changes in the work, not involving extra cost, and not inconsistent with the purpose of the work, but otherwise, except in an emergency endangering life or property, no extra work or change in the Contract Documents shall be made unless by a change order. No claim by the CONTRACTOR for an equitable adjustment hereunder shall be allowed if asserted after final payment under this Contract, approved by the Principal Representative. No claim for any change to the Contract sum shall be valid unless so ordered.

The value of any extra work or change shall be determined in one or more the following ways:

- (a) By estimate and acceptance in a lump sum;
- (b) By unit prices named in the Contract;
- (c) By actual cost plus a fixed fee, or percentage, the latter agreed upon prior to starting the extra or changed work.

Changed work shall be adjusted and considered separately for the work either added or omitted. The amount of adjustment for work omitted shall be estimated at the time it is authorized, and the agreed adjustment will be deducted from the subsequent monthly progress payments.

Article 38. CLAIMS FOR EXTRA COST

If the CONTRACTOR claims that any instructions, by drawings or otherwise, involve extra cost under this Contract, he shall give the Principal Representative written Notice thereof within a reasonable time after the receipt of such instructions. In any event, before proceeding to execute the work, except in emergency endangering life or property, the procedure shall be as provided for under Article 35, CHANGES IN THE WORK. No such claim shall be valid unless so made.

In all such cases, the CONTRACTOR shall keep a correct account of the extra cost, in such form as the Principal Representative may direct, and shall present such account, supported by receipts. The Principal Representative shall be entitled to reject any claim for extra cost whenever the foregoing procedure is not followed.

The payments to the CONTRACTOR in respect of such extra costs shall be limited to reimbursement for the current additional expenditure by the CONTRACTOR made necessary by the change in the work, plus a reasonable amount of overhead and profit, determined solely with reference to the additional work, if any, required by the change, at or prior to the time of making the change.

Colorado Division of Reclamation, Mining and Safety Page 13 of 22 Pages

Any claim by the CONTRACTOR arising by virtue of the Contract which is not disposed of by agreement shall be submitted in writing, together with any written and oral evidence in support thereof, to the Principal Representative for decision. Before making a decision the Principal Representative may notify the CONTRACTOR that additional written and/or oral evidence in support of the claim is required. If such notice is given, CONTRACTOR shall provide additional evidence to the Principal Representative within the time specified by the Principal Representative in the notice. The Principal Representative shall make his decision in writing and mail or otherwise furnish a signed copy to the CONTRACTOR. Pending the decision of the Principal Representative, the CONTRACTOR shall proceed diligently with the performance of the Contract.

Article 39. LIQUIDATED DAMAGES

If the CONTRACTOR shall neglect, fail or refuse to complete the work within the time agreed upon in this Agreement or any extension thereof, the CONTRACTOR shall be liable to the Principal Representative in the amount specified in the Special Conditions for this project for each and every calendar day the completion of the work is delayed beyond the time provided in this Agreement, as fixed and agreed liquidated damages, and not as a penalty. If the Principal Representative terminates the CONTRACTOR'S right to proceed, the resulting damage will consist of liquidated damages until such reasonable time as may be required for final completion of the work along with any increased costs incurred by the Principal Representative in completing the work. If the Principal Representative does not terminate the CONTRACTOR'S right to proceed, the resulting damage will consist of liquidated damages until the work is completed or accepted.

The Principal Representative shall have the right to deduct from and retain out of monies which may be due or which may become due and payable to the CONTRACTOR, the amount of such liquidated damages; and if the amount so retained by the Principal Representative is insufficient to pay in full such liquidated damages, the CONTRACTOR shall pay to the Principal Representative the amount necessary to effect payment in full of such liquidated damages.

Article 40. DAMAGES

If either party to this Contract shall suffer damage in any manner because of any wrongful act or neglect of the other party or of anyone employed by him, then he shall be reimbursed by the other party for such damage, except that the Principal Representative shall be responsible for and at his option insure against loss of use of any of his existing property, due to fire or otherwise, however caused.

Claims under this clause shall be made in writing to the party liable within a reasonable time of the first observance of such damage and not later than the time of final payment, except as expressly stipulated otherwise in the case of faulty work or materials.

Article 41. STATE'S RIGHT TO DO THE WORK

If the CONTRACTOR should neglect to prosecute the work properly or fail to perform any provision of the Contract, the Principal Representative, after seven (7) days' written notice to the CONTRACTOR and the Surety may, without prejudice to any other remedy he may have, make good such deficiencies and may deduct the cost thereof from the payment then or thereafter due the CONTRACTOR.

Article 42. STATE'S RIGHTS TO TERMINATE THE CONTRACT

A. General

If the CONTRACTOR should be adjudged as bankrupt, or if he should make a general assignment for the benefit of his creditors, or if a receiver should be appointed to take over his affairs, or if he

Colorado Division of Reclamation, Mining and Safety Page 14 of 22 Pages

should fail to prosecute his work with due diligence and carry the work forward in accordance with his work schedule and the time limits set forth in the Contract Documents, or if he should fail to subsequently perform one or more of the provisions of the Contract Documents to be performed by him, the Principal Representative may serve Written Notice on the CONTRACTOR and the Surety on his performance and payment bonds, stating his intention to exercise one of the remedies hereinafter set forth and the grounds upon which the Principal Representative bases his right to exercise such remedy. In such event, unless the matter complained of is satisfactorily cleared within ten (10) days after serving such Notice, the Principal Representative may, without prejudice to any other right or remedy, exercise one of such remedies, at once.

B. Conditions and Procedures

- (a) The Principal Representative may terminate the services of the CONTRACTOR, which termination shall take effect immediately upon serving notice to the CONTRACTOR and his Surety, whereupon the Surety shall have the right to take over and perform the Contract. If the Surety does not commence performance of the Contract within ten (10) days after service of the notice of termination, the Principal Representative may take over the work, take possession of and use all materials, tools, equipment and appliances on the premises and prosecute the work to completion by such means as he shall deem best. In the event of such termination of his service, the CONTRACTOR shall not be entitled to any further payment under his contract until the work is completed and accepted. If the Principal Representative takes over the work and if the unpaid balance of the contract price exceeds the cost of completing the work, including compensation for any damages or expenses incurred by the Principal Representative through the default of the CONTRACTOR, such excess shall be paid to the CONTRACTOR. If, however, the cost, expenses and damages as certified by the Principal Representative exceed such unpaid balance of the contract price, the CONTRACTOR and his Surety shall pay the difference to the Principal Representative.
- (b) The Principal Representative may take control of the work and either make good the deficiencies of the CONTRACTOR or direct the activities of the CONTRACTOR in doing so, employing such additional help as the Principal Representative deems advisable. In such event the Principal Representative shall be entitled to collect from the CONTRACTOR and his Surety, or to deduct from any payment then or thereafter due the CONTRACTOR, the costs incurred in having such deficiencies made good and any damages or expenses incurred through the default of the CONTRACTOR, provided the Principal Representative approves the amount thus charged to the CONTRACTOR.
 - (c) The Principal Representative may require the Surety on the CONTRACTOR'S bond to take control of the work at once and see to it that all the deficiencies of the CONTRACTOR are made good, with due diligence. As between the Principal Representative and the Surety, the cost of making good such deficiencies shall all be borne by the Surety. If the Surety takes over the work, either upon termination of the services of the CONTRACTOR or upon instructions from the Principal Representative to do so, the provisions of the Contract Documents shall govern in respect of the work done by the Surety, the Surety being substituted for the CONTRACTOR as to such provisions, including provisions as to payment for the work and provisions of this Article as to the right of the Principal Representative to do the work or take control of the work.

Article 43. TERMINATION FOR CONVENIENCE OF STATE

(a) The performance of work under this Contract may be terminated, in whole or from time to time in part, by the State whenever for any reason the Principal Representative shall

Colorado Division of Reclamation, Mining and Safety
Page 15 of 22 Pages

- determine that such termination is in the best interest of the State. Termination of work hereunder shall be effected by delivery to the CONTRACTOR of a Notice of Termination specifying the extent to which performance of work under the Contract is terminated and the date upon which such termination becomes effective.
- (b) After receipt of the Notice of Termination the CONTRACTOR shall cancel his outstanding commitments hereunder covering the procurement of materials, supplies, equipment and miscellaneous items. In addition, the CONTRACTOR shall exercise all reasonable diligence to accomplish the cancellation or diversion of his outstanding commitments covering personal services and extending beyond the date of such termination to the extent that they relate to the performance of any work terminated by the Notice. With respect to such canceled commitments the CONTRACTOR agrees to:
 - (1) settle all outstanding liabilities and all claims arising out of such cancellation of commitments, with approval or ratification of the Principal Representative, to the extent he may require, which approval or ratification shall be final for all purposes of this clause, and
 - (2) assign to the State, in the manner, at the time, and to the extent directed by the Principal Representative, all of the right, title, and interest of the CONTRACTOR under the orders and subcontracts so terminated, in which case the State shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
- (c) The CONTRACTOR shall submit his termination claim to the Principal Representative promptly after receipt of a Notice of Termination, but in no event later than ninety (90) days from the effective date of termination, unless one or more extensions in writing are granted by the Principal Representative upon written request of the CONTRACTOR within such one year period or authorized extension thereof. Upon failure of the CONTRACTOR to submit his termination claim within the time allowed, the Principal Representative may determine, on the basis of information available to him, the amount, if any, due to the CONTRACTOR by reason of the termination and shall thereupon pay to the CONTRACTOR the amount so determined.
- (d) Costs claimed, agreed to, or determined pursuant to (c) above and (e) below shall be in accordance with the provisions of ARTICLE 107 (COST PRINCIPLES) of the Colorado Procurement Code and Rules as in effect on the date of this Contract.
- (e) Subject to the provisions of paragraph (c) above, the CONTRACTOR and the Principal Representative may agree upon the whole or any part of the amount or amounts to be paid to the CONTRACTOR by reason of the termination under this clause, which amount or amounts may include any reasonable cancellation charges thereby incurred by the CONTRACTOR and any reasonable loss upon outstanding commitments for personal services which he is unable to cancel; provided, however, that in connection with any outstanding commitments for personal services which the CONTRACTOR is unable to cancel, the CONTRACTOR shall have exercised reasonable diligence to divert such commitments to his other activities and operations. Any such agreement shall be embodied in an amendment to this Contract and the CONTRACTOR shall be paid the agreed amount.
- (f) The State may from time to time, under such terms and conditions as it may prescribe, make partial payments against costs incurred by the CONTRACTOR in connection with the termination portion of this Contract, whenever, in the opinion of the Principal Representative, the aggregate of such payments is within the amount to which the CONTRACTOR will be entitled hereunder.

Colorado Division of Reclamation, Mining and Safety
Page 16 of 22 Pages

- (g) The CONTRACTOR agrees to transfer title and deliver to the State, in the manner, at the time, and to the extent, if any, directed by the Principal Representative, such information and items which, if the Contract had been completed, would have been required to be furnished to the State, including:
 - (1) completed or partially completed plans, drawings and information; and
 - (2) materials or equipment produced or in process or acquired in connection with the performance of the work terminated by the Notice.

Other than the above, any termination inventory resulting from the termination of the Contract may, with written approval of the Principal Representative, be sold or acquired by the CONTRACTOR under the conditions prescribed by and at a price or prices approved by the Principal Representative. The proceeds of any such disposition shall be applied in reduction of any payments to be made by the State to the CONTRACTOR under this Contract or shall otherwise be credited to the price or cost of work covered by this Contract or paid in such other manner as the Principal Representative may direct. Pending final disposition of property arising from the termination, the CONTRACTOR agrees to take such action as may be necessary, or as the Principal Representative may direct, for the protection and preservation of the property related to this Contract which is in the possession of the CONTRACTOR and in which the State has or may acquire an interest.

(h) Any disputes as to questions of fact, which may arise hereunder, shall be subject to the provisions of ARTICLE 109 (REMEDIES) of the Colorado Procurement Code.

Article 44. CONTRACTOR'S RIGHT TO STOP WORK OR TERMINATE CONTRACT

If the work shall be stopped under an order of any court or other public authority for a period of three (3) months through no act or fault of the CONTRACTOR or of any one employed by him, then the CONTRACTOR may, on seven (7) days' written Notice to the Principal Representative and the PROJECT MANAGER, stop work or terminate this Contract and recover from the Principal Representative payment for all work executed, any losses sustained on any material, and a reasonable profit.

This provision shall not apply to work suspended due to conditions unsatisfactory for the prosecution of the work, including winter weather conditions.

Article 45. CLEANUP

The CONTRACTOR shall at all times keep the construction area free from accumulations of waste material or rubbish resulting from his work. Upon completion of the work, the CONTRACTOR shall remove from the vicinity of the work and haul all rubbish, trash, garbage, and construction debris to a county-approved disposal site. Additionally, the CONTRACTOR shall remove from the vicinity all unused materials, and the like, belonging to the CONTRACTOR or used under the CONTRACTOR'S direction during construction.

Cleanup is subject to the approval of the Principal Representative.

Article 46. PERIODIC PARTIAL PAYMENTS

On some occasions, after approval by the Principal Representative, payment may be made on account of materials not incorporated in the work but delivered and suitably stored at the site, or at some other location agreed upon in writing. Such payments shall be conditioned upon submission by the CONTRACTOR of bills of sale or such other procedure as will establish the Principal Representative's title to such material or otherwise adequately protect the Principal Representative's interest, including applicable insurance.

Colorado Division of Reclamation, Mining and Safety Page 17 of 22 Pages

If the bid amount is between \$50,000.00 and \$149,999.00, 10 percent retainage will be withheld until the project has been satisfactorily completed and advertised. If the bid amount is \$150,000.00 or over, 5 percent retainage will be withheld until the project has been satisfactorily completed and advertised.

The Division of Reclamation, Mining and Safety will accept original invoices only. Change order amounts and retainage must be invoiced separately from items included in the original contract. All invoices, except the final invoice, and the payments thereunder, shall be subject to correction in the next invoice following the discovery of any error. The final payment, or the retainage bill, shall state "Final Bill" on the invoice.

State law and regulations provide that CONTRACTORS will be paid within 45 days after receipt of a correct invoice. A State liability not paid within 45 days is considered delinquent and, unless otherwise agreed to, interest on the unpaid balance shall be paid beginning with the forty-sixth day at the rate of one percent per month on the unpaid balance until paid in full. A liability shall not arise if a good faith dispute exists as to the agency's obligation to pay all or a portion of the liability. CONTRACTORS shall invoice separately for interest on delinquent amounts due. The billing shall reference the delinquent payment, the number of days interest to be paid and the applicable interest rate (24-30-202(24), C.R.S. as amended).

Article 47. PAYMENTS WITHHELD

The PROJECT MANAGER or the Principal Representative may hold, or, on account of subsequently discovered evidence, nullify the whole or any part of any invoice on account of:

- (a) Defective work not remedied;
- (b) Claims filed or reasonable evidence indicating probable filing of claims;
- (c) Failure of the CONTRACTOR to make payment to subcontractors or for material or labor:
- (d) A reasonable doubt that the Contract can be completed for the balance of the contract price then unpaid;
- (e) Damage to another CONTRACTOR;
- (f) Failure to obtain necessary permits or licenses or to comply with applicable laws, ordinances, codes, rules or regulations:
- (g) Failure to submit weekly progress reports;
- (h) Failure of the CONTRACTOR to keep his work progressing in accordance with his time schedule:
- (i) Failure to keep a superintendent on the work;
- (j) Unauthorized deviations by the CONTRACTOR from the Contract Documents.

When the grounds for such withholding or nullifying are removed, payment shall be made for the amounts withheld.

If the Principal Representative deems inexpedient the correction of damaged work or of work not performed in accordance with the contract, equitable reduction of contract price shall be made.

Article 48. FINAL INSPECTION

The Principal Representative shall make *final inspection* of the project to determine whether the work has been completed in accordance with the Contract Documents. A final punch list shall be made by the Principal Representative on the *Final Inspection and Certificate of Completion* form in sufficient detail to fully outline to the CONTRACTOR:

a) Work to be completed, if any;

Colorado Division of Reclamation, Mining and Safety Page 18 of 22 Pages

- b) Work not in compliance with the drawings or specifications, if any;
- c) Unsatisfactory work for any reason, if any.

If any punch-list results from the final inspection, the CONTRACTOR shall promptly rectify all items on it.

Article 49. FINAL INSPECTION AND CERTIFICATE OF COMPLETION

The Final Inspection and Certificate of Completion shall establish the completion date of the project.

Article 50. SETTLEMENT

The Principal Representative shall not authorize final payment until all items on the punch list have been completed, the *Final Inspection and Certificate of Completion* issued, and the Notice of CONTRACTOR'S Settlement published. Before the Principal Representative may advertise, the CONTRACTOR shall deliver the Principal Representative all guaranties and warranties, and daily or weekly Job Logs.

When the Principal Representative indicates acceptance of the work, the CONTRACTOR may requisition final payment, including retainage, on account of the contract price.

Before such final payment may be made the Principal Representative must comply with Title 38-26-107 C.R.S. as amended, which requires that publication of a notice of final settlement with the CONTRACTOR be made twice for projects over \$120,000.00, and once for projects less than \$120,000.00 in a newspaper of general circulation in the county wherein the Agreement was made (usually Denver County) and the county wherein the work was performed. The date fixed in such notice, before which final payment to the CONTRACTOR may not be made, must be no less than ten days after the publication of the notice.

Any unpaid creditor of the CONTRACTOR who supplied labor and/or material for the work has those ten days in which to file with the Principal Representative a verified statement of the amount due and unpaid. The Principal Representative must withhold from payment to the CONTRACTOR the total amount of such claim for a period of ninety days after the date in the notice fixed for settlement, but the Principal Representative may not directly make payment to the creditor(s). If within those ninety days a creditor does not reach settlement with the CONTRACTOR, he must file with the Principal Representative a notice that he has brought action at law, otherwise the Principal Representative, at expiration of ninety days, will pay the CONTRACTOR for the amount withheld.

Article 51. GUARANTY AND WARRANTIES

The CONTRACTOR shall furnish the Principal Representative with a written guaranty for one year covering all labor, materials and workmanship incorporated in the work. The CONTRACTOR, in instances of work performed or material or equipment furnished for which warranties are required by the specifications, shall procure such warranties and deliver them to the Principal Representative on completion of the work. Such warranties will in no way lessen the CONTRACTOR'S responsibilities under the Agreement. Whenever warranties or guarantees are required by the specifications for a period longer than one year, such longer period shall govern. Written guaranties must be received by the Principal Representative before final payment will be approved.

Article 52. ASSIGNMENT

The CONTRACTOR shall not assign the whole or any part of this Contract as any moneys due or to become due hereunder without the written consent of the Principal Representative. No assignment without said prior approval shall be valid. In case the CONTRACTOR assigns all or

Colorado Division of Reclamation, Mining and Safety Page 19 of 22 Pages

part of any moneys due or to become due under this Contract, the instrument of assignment shall contain a clause substantially to the effect that it is agreed that the right of the assignee in and to any moneys due or to become due to the CONTRACTOR shall be subject to all claims of all persons, firms, and corporations for services rendered or materials supplied for the performance of the work called for in this Contract, whether said service or material were supplied prior to, or after the assignment.

Article 53. LIENS

There is no right of Mechanic's Lien against publicly-owned property in the State of Colorado. However, as outlined in **Article 50 SETTLEMENT**, unpaid labor and/or materials suppliers for the work are by law provided certain alternate remedies.

Article 54. POST-COMPLETION INSPECTIONS

Final payment made to the CONTRACTOR on account of the work shall not operate to relieve the CONTRACTOR of responsibility for faulty material or workmanship, and unless otherwise provided the CONTRACTOR shall remedy any defect due thereto and pay for any damages resultant therefrom which shall appear within one year from the date of final acceptance of the work, which date will be that of the Final Inspection and Certificate of Completion.

If the CONTRACTOR fails promptly to correct the punch list items resulting from such inspections, the Principal Representative may correct such defects and deficiencies and backcharge the CONTRACTOR for the cost thereof.

Article 55. ACCESS TO DOCUMENTS

The CONTRACTOR shall grant access to the State, the Office of Surface Mining Reclamation and Enforcement, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the CONTRACTOR which are directly pertinent to this contract for the purpose of audit, examination, excerpts and transcriptions. All required records shall be retained for three years after final settlement and all other matters are closed.

Article 56. CORRUPT INFLUENCES

The signatories hereto aver that they are familiar with 18-8-301 of seq. (Bribery and corrupt influences) and 18-8-401, et seq. (abuse of Public Office), C.R.S., as amended and that no violation of such provisions is present.

Article 57. COLORADO SPECIAL PROVISIONS

THE SPECIAL PROVISIONS APPLY TO ALL CONTRACTS EXCEPT WHERE NOTED IN ITALICS.

- **1. CONTROLLER'S APPROVAL. CRS §24-30-202(1)**. This contract shall not be valid until it has been approved by the Colorado State Controller or designee.
- **2. FUND AVAILABILITY**. **CRS §24-30-202(5.5)**. Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.
- **3. GOVERNMENTAL IMMUNITY**. No term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

Colorado Division of Reclamation, Mining and Safety Page 20 of 22 Pages

- 4. INDEPENDENT CONTRACTOR. Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this contract. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.
 5. COMPLIANCE WITH LAW. Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws
- **6. CHOICE OF LAW.** Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this contract, to the extent capable of execution.

applicable to discrimination and unfair employment practices.

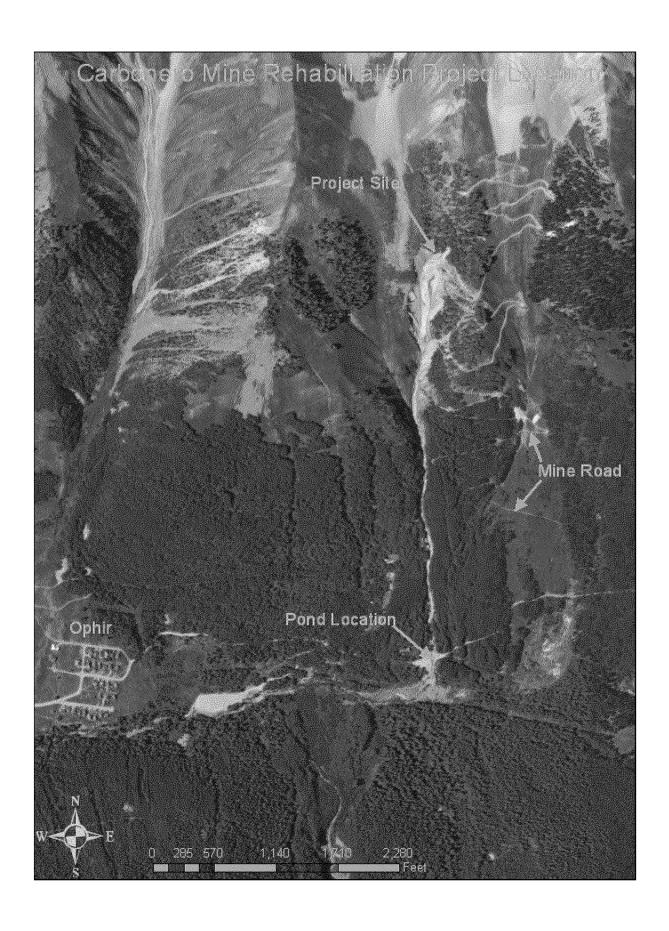
- **7. BINDING ARBITRATION PROHIBITED.** The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this contact or incorporated herein by reference shall be null and void.
- **8. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.** State or other public funds payable under this contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this contract, including, without limitation, immediate termination of this contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.
- **9. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. CRS §§24-18-201 and 24-50-507.** The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.
- **10. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4**. [*Not Applicable to intergovernmental agreements*] Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: **(a)** unpaid child support debts or child support arrearages; **(b)** unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; **(c)** unpaid loans due to the Student Loan Division of the Department of Higher Education; **(d)** amounts required to be paid to the Unemployment Compensation Fund; and **(e)** other unpaid debts owing to the State as a result of final agency determination or judicial action.

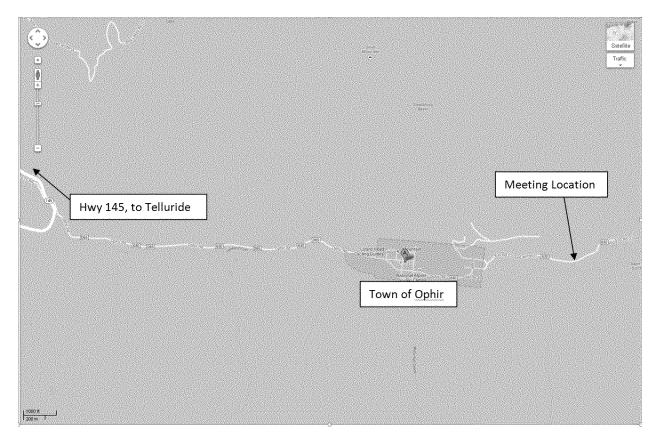
Colorado Division of Reclamation, Mining and Safety Page 21 of 22 Pages

- 11. PUBLIC CONTRACTS FOR SERVICES. CRS §8-17.5-101. [Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this contract, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c). Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor (a) shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed. (b) shall notify the subcontractor and the contracting State agency within three days if Contractor has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this contract, (c) shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Contractor participates in the Department program. Contractor shall deliver to the contracting State agency. Institution of Higher Education or political subdivision a written notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political subdivision may terminate this contract for breach and, if so terminated, Contractor shall be liable for damages.
- **12. PUBLIC CONTRACTS WITH NATURAL PERSONS. CRS §24-76.5-101.** Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she **(a)** is a citizen or otherwise lawfully present in the United States pursuant to federal law, **(b)** shall comply with the provisions of CRS §24-76.5-101 et seq., and **(c)** has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this contract.

Revised 1/1/09

Colorado Division of Reclamation, Mining and Safety Page 22 of 22 Pages





Pre-Bid Meeting Location